For Wednesday night, meeting folder CDP

(2)

PRIME MINISTER

SECURITY OF SMALL STATES

This subject will be taken (finally) in OD next week. There will be two papers:

A. OD(85)9 which you saw in May.

B. OD(85)17 which you have not so far seen, and which reviews the need for further assistance to the most vulnerable regions. The conclusion of this is that no additional assistance is required: and that if further funds became available, there would be higher priorities for using them than the small States, which are already comparatively generously aided.

In OD you will want to satisfy yourself:

(i) that the judgment that we don't need to put in more money is correct. You may like to look again at Percy Cradock's note which underlines the risks in the small States;

(ii) that we are getting ahead with coordinating a defensible position for CHOGM with the Canadians, Australians and New Zealanders. They ought to have a strong incentive to do more in their respective areas.

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19 July, 1985.