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CABINET
DEFENCE AND OVERSEAS POLICY COMMITTEE

ANGLO-GUATEMLAN NEGOTIATIONS OVER BELIZE MEMORANDUM BY THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS

1. On 23 October the Committee authorised me to proceed along lines agreed in OD(80)59 in a search for a settlement of the dispute with Guatemala. There have been developments since then. This paper is concerned with these. A separate Memorandum by the Defence Secretary and me deals with defence issues on which decisions will be needed in the event of failure to secure a settlement.

Developments since October

2. The United Nations General Assembly on 11 November overwhelmingly approved a resolution calling for independence for Belize by the end of 1981. On 2 December we announced in Parliament our intention to convene an early Constitutional Conference. The Guatemalan reaction was initially calm but has since hardened. Uncompromising statements have been made by Guatemalan Government and military representatives and threatening articles have been published in the Guatemalan press. Intelligence reports indicate that the Guatemalans may be placing themselves in readiness to undertake limited hostile action against Belize (eg acts of sabotage, selective terrorist attacks). Nevertheless the Guatemalans agreed to attend further negotiating meetings of officials in New York on 5-6 February.

New York Talks

3. In these talks at the end of last week the Guatemalans have claimed, apparently genuinely, to be seeking on Presidential instructions a permanent settlement acceptable to Guatemalan public opinion. Their minimum requirement is not yet clear. Leasing of some of the Southern Cays, with developmental concessions on the mainland

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especially in the south, (eg all weather road from the border to Punta Gorda, free port and warehousing) might be sufficient to secur a settlement. Much will depend on whether Mr Price can agree to leasing on sufficiently generous terms. On the Guatemalan part, there is a new note of urgency.

Constitutional Developments

- In Belize, the Government's Constitutional proposals have now been published. Public debate will centre on whether Belize can count on secure independence. The UDP opposition have claimed that the Belizean Government does not have public support for early independence with no settlement of the dispute. The Government PUP assert that they have a full mandate for independence this year, and that Britain will do all that is necessary to ensure the country's security after independence.
- The Minister of State met Mr Price in Kingston on 22 January. Mr Price is preparing for a debate in the National Assembly in mid-February to be followed by a Constitutional Conference in London beginning in mid-March (the latest date that would ensure that the legislative processes could be completed in time for independence before the end of the year).
- Our preparations for a Constitutional Conference are well in hand. If we are to preserve the mid-March target date we must press on. The issue of invitations and a public announcement of the date could be delayed until after Ministers have met once more, but late February would be an absolute deadline. But we must for the time being also retain the option of deferring the Conference if this seems necessary in the interests of keeping the Guatemalans in play or involving the Americans.

The American position

7. We have no reliable indications of the attitude the new American Administration will adopt towards Guatemala or Belize. Initial contacts suggest that the Guatemalan Government hope for increased American support on Belize may be disappointed. When I visit Washington later this month with the Prime Minister, I shall try to

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persuade the Americans to make any support for the Regime conditional upon Guatemalan forbearance over Belize. I shall also seek to persuade them to help underpin Belizean independence. American support will be important in the absence of a settlement.

- 8. The Committee is invited to agree:
 - that efforts of officials to obtain agreement with the Guatemalans on a basis for settlement should continue in New York with urgency;
 - (ii) that preparations for a Constitutional Conference should continue, while retaining flexibility over the date of the Conference, the public announcement of this and the issue of invitations.

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