



SECRET

2 Belize

PRIME MINISTER

The Dispute with Guatemala over Belize  
(OD(80) 31)

## BACKGROUND

This intractable dispute prevents the grant of independence to a colony in which we have little positive interest, either political or economic. The maintenance of the status quo entails the costs of a permanent garrison and occasional reinforcement for the colony, and complicates our relations with Latin America. But the grant of independence without a settlement of the dispute could well result in a Guatemalan invasion. Annex A to the paper recounts the history of the dispute and of attempts to resolve it, ending with the proposal made by Mr. Callaghan's Government in 1978 and rejected by the Guatemalans.

2. The Prime Minister of Belize has just been re-elected with a clear mandate for early independence. The growth of instability in Central America makes a solution of the problem more urgent. And the Americans, who have hitherto been carefully neutral in the dispute, now seem ready to back us in looking for a settlement. For all these reasons Lord Carrington now wishes to resume negotiations. He hopes to win Guatemalan agreement to independence for Belize on the basis of the sort of package deal set out in his Annex B. But if this attempt looks like foundering, e. g. over Guatemalan insistence on territorial concessions which the Belizeans cannot accept, he is prepared to consider proceeding to independence unilaterally.

3. With or without agreement with Guatemala, an independent Belize will probably need military allies. Regional allies seem to be one possibility. But Lord Carrington clearly does not rule out a continuing British military presence and/or guarantee; and he even mentions the possibility of a Sovereign Base Area, on the Cyprus model.



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HANDLING

4. You will wish Lord Carrington to introduce his paper, and Mr. Pym to comment on defence aspects. Points to clarify in the discussion are as follows:-

- (a) Would the cost to Britain of the economic parts of Lord Carrington's package deal be met from within the Aid Programme (which is already badly stretched, as the Committee's recent discussion of Turkey underlined)?
- (b) Would the threat to proceed unilaterally to independence, if necessary, be a bluff to scare the Guatemalans? Or could we really do it, and if so at what cost in terms of de-stabilising the area?
- (c) How firm is United States support, particularly if we were forced to act without Guatemalan agreement?
- (d) Is the negotiating gap, between minimum Guatemalan demands and maximum Belizean concessions, any narrower or more bridgeable than in the past?
- (e) Would not independence with a British military guarantee give us the worst of all worlds - no political control but an unlimited defence commitment?
- (f) Is the idea of British troops remaining after independence primarily seen as a device for solving the Belize problem, or is there really independent justification for our having facilities "to enable us to provide rapid military assistance to our friends in the area"?
- (g) If the latter, is there not a case for Lord Carrington and Mr. Pym producing a further paper on Britain's military role in the Caribbean area? What do we hope to achieve, with what resources and which allies?
- (h) Is there likely to be radical political change in Guatemala, following the revolution which has occurred in Nicaragua and seems imminent in El Salvador? If so, what bearing should that have on our tactics over Belize?

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- (i) How real are the prospects for local military guarantees for Belize, e.g. from Panama or Barbados? Would we welcome such a development?
- (j) Could the United Nations be persuaded to play an active role on the ground, militarily or otherwise?

CONCLUSION

- 5. Subject to points made in discussion you might lead the Committee to:-
  - (i) endorse (i) and (ii) of paragraph 9 of the paper;
  - (ii) invite Lord Carrington to report further on what outline agreement with Guatemala looks like emerging: or alternatively on how far the United States or others would support a unilateral move to independence, and what the military implications of that are likely to be;
  - (iii) invite Lord Carrington and Mr. Pym to prepare a further paper on the security situation in the wider Caribbean area and the extent to which Britain might become militarily involved;
  - (iv) suspend judgment, meanwhile, on (iii) and (iv) in Lord Carrington's paragraph 9.

RA

(Robert Armstrong)

1st April 1980

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(i) How will the proposed local...  
 (ii) How will the proposed local...  
 (iii) How will the proposed local...  
 (iv) How will the proposed local...

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