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Ref. A03316

PRIME MINISTER

Bely

## Anglo-Guatemalan Negotiations over Belize (OD(80) 59)

BACKGROUND

OD discussed this subject on 2nd April 1980 and agreed that the Foreign and Commonwealth Secretary should arrange for negotiations to be resumed with Guatemala on the basis of a package of proposals which included provision for seaward access, help with the provision of road access from Guatemala to the Caribbean, and reassurances in the field of security designed to convince the Guatemalans that Belize would not be used as a launching ground for Cuban or other left-wing subversion of Guatemala. Mr. Ridley has been conducting the negotiations with the Guatemalans and has just returned from New York. He will be present at the OD meeting on 23rd October. He is likely to say that, while the negotiations have gone quite well, they have not satisfied the Guatemalans who insist that the dispute can only be settled in terms which recognise that the matter at issue is territory. A slice of Belize would give them satisfaction but this is not being offered. Guatemala is conscious that there is overwhelming international support for Belize to proceed soon to independence. This factor must also affect the British view of the situation. It would be preferable to proceed to independence for Belize with full Guatemalan agreement. But such agreement seems unlikely to be forthcoming, There is a risk that the Guatemalans' dissatisfaction may reach such a pitch that they decide to take some kind of military action against Belize. Hence the Foreign and Commonwealth Secretary's wish to seek the collective endorsement by OD colleagues of the policy which is being proposed at this stage.

2. From a defence point of view Belize continues to be one of our more sizeable deployments outside the NATO area. The Belize Garrison includes infantry units, Harrier, Puma and Gazelle aircraft and an RAF Regiment Rapier

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detachment to defend the airfield. There are also armoured reconnaissance, artillery, air defence, engineer and communications units there. A Royal Navy warship, supported by a Royal Fleet Auxiliary, is deployed to the Caribbean and Western Atlantic as the Belize guardship. Because of present pressure on the Defence Budget and the threat of worse to come in 1981-82, the Chiefs of Staff are more than usually uneasy about the danger of our defence commitments outrunning the resources available to meet them. The possibility of trouble with Guatemala in the run-up to independence and the consequential need to reinforce the British garrison in Belize could have serious implications for our continuing ability to meet all our defence commitments elsewhere. For the same reason it will be necessary to think very carefully about any continuing security arrangements which will be required for Belize in the post-independence period.

3. The Chief Secretary, the Attorney General and Mr. Ridley are being invited to the meeting.

## HANDLING

- 4. It seems unlikely that the Foreign and Commonwealth Secretary will be back in time for this OD meeting. Subject to anything which the Lord Privy Seal may wish to say by way of introduction, you may like to ask Mr. Ridley to introduce the paper by describing the negotiations in which he has been taking the lead. Points to cover in the subsequent discussion are as follows.
  - (a) What exactly is the nature of the uncertainty which is attributed to the

    <u>United States Administration</u> in paragraph 5? Are they bothered about
    the danger (referred to at OD last time) of the Belizeans turning to Cuba
    for help? How real is that danger? Do the Americans have any
    constructive suggestions for dealing with the situation other than by
    the course of action which we are proposing to pursue? How would
    a Reagan Administration's outlook differ?
  - (b) What is Mr. Ridley's latest assessment of the possible <u>Guatemalan</u>

    <u>reaction</u> to the course of action we have proposed to them in the course
    of negotiations? How highly does he rate the possibilities of diplomatic,
    commercial and/or military retaliation, (a) before independence and
    (b) thereafter?

- (c) How strong is the international pressure for Belizean independence?

  What British interests would suffer if we were to resist it? Are those responsible for the pressure prepared to put their money and men where their mouth is, i.e. to undertake to protect an independent Belize from Guatemalan wrath? If not, can they at least be forced to make that clear?
- (d) The British security commitment
  - (i) What are the Secretary of State for Defence's views on the possibility of having to reinforce the garrison before independence? How large a reinforcement? And at what cost to British defence policy elsewhere?
  - (ii) What are his views on the possibility of leaving British forces there after independence, for what the paper calls "a strictly limited period"? How large forces? How long a period?

    How would it be kept limited i.e. what would we do if at the end of the period the Guatemalan military threat was unabated?
- (e) Public expenditure will be of concern to the Chief Secretary. Will the cost of any reinforcement of the garrison before independence be met from the Defence Budget? Who will pay for any garrison we leave for a period after independence? About how much money would be involved? Paragraph 1ld also refers to the need to find money "for an Independence settlement". Will this not be from within the Aid Budget (OD were told on 2nd April that the ODA had made appropriate provision)? Paragraph 16 of the Possible Points for an Agreement, attached to Lord Carrington's paper, suggests possible British help over advice, training and equipment for the Belize Defence Force. How is this to be paid for?
- 5. The paper is alarmingly vague about post-independence security arrangements. There seems a real danger that we will embark on the policy proposed without thinking through what commitments it might involve, and will discover these only when they have become unavoidable. You may therefore wish

SECRET to invite the Lord Privy Seal and Mr. Ridley to let members of OD have a further assessment of the maximum which might be involved, after independence, in terms of how many British troops and for how long and at what overall financial cost. CONCLUSION Subject to points made in discussion you might lead the Committee to (i) endorse conclusions a., b. and c. in paragraph 11 of OD(80) 59 (ii) note that some continuing security arrangements will be required for Belize in the post-independence period but to seek to establish what they might involve in terms of money and manpower and how the commitment might be limited. (Robert Armstrong) 22nd October, 1980 -4-SECRET