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BelizePRIME MINISTERBelize
(OD (81) 5 and 6)

BACKGROUND

OD agreed on 23rd October that a Constitutional Conference should be held in 1981 with a view to early independence for Belize; that negotiations for a settlement with Guatemala should continue; but that if these failed British forces might have to remain in Belize for a strictly limited period after independence. OD(81) 5 deals with the present position in the negotiations, with Guatemala which are being resumed in New York on 12th February. OD(81) 6 deals with the post-independence security arrangements which will need to be worked out with the Belizeans (and others) if agreement cannot be reached with Guatemala. Conclusions on both papers are therefore dependent on the outcome of negotiations which have not yet been completed. Furthermore, the attitude of the new American Administration towards Guatemala and Belize is not yet clear, but will be very important in relation to both sets of negotiations.

2. Preliminary decisions are nevertheless needed now, if we are to stick to a timetable under which Belize is brought to independence by the end of the year. For tactical reasons, the Foreign and Commonwealth Secretary and Mr. Ridley need to maintain momentum in their dealings both with the Guatemalans and with the Belizeans, at least for the time being.

3. OD need have no hesitation in once more endorsing Lord Carrington's broad strategy. International pressure for Belizean independence is very strong and disengagement (which will be possible once we have either settled with Guatemala or helped Belize through the immediate dangers of independence without a settlement) is what we want for political, military and financial reasons. In money terms, garrisoning for one year after independence will cost us less than garrisoning indefinitely in the absence of independence.

4. But there are some alarmingly fuzzy edges to parts of the security paper in particular, which the Committee will no doubt wish to probe as carefully as the present state of our knowledge permits.



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5. The Chief Secretary, Treasury, the Attorney General and Mr. Ridley will be present for this item. The Secretary of State for Defence has also asked if he may bring the Chief of the Defence Staff.

HANDLING

6. You may care to deal with the two papers separately and begin by inviting the Foreign and Commonwealth Secretary to introduce OD(81) 5 dealing with the current position of Anglo-Guatemalan negotiations. He will probably ask Mr. Ridley to amplify the present position. Points to cover in the subsequent discussion are as follows -

- (a) What does the Foreign and Commonwealth Secretary believe will be the final outcome of the current negotiations with the Guatemalans? When is this position likely to be reached?
- (b) In the view of the Attorney General, is the proposed leasing of the Southern Cays compatible with the preservation of the territorial integrity of Belize? Do we run the risk of forfeiting United Nations support by forcing such an arrangement upon Mr. Price? How obdurate is Mr. Price likely to be to such an arrangement?
- (c) Have Mr. Price's Government of Belize been given any grounds for their public assertion, quoted in paragraph 4 of OD(81) 5, that "Britain will do all that is necessary to ensure the country's security after independence"? OD agreed to no such blank cheque, but only that Britain would underwrite independence in military terms for a strictly limited period, and on the strict condition that in his foreign policy Mr. Price did what he was told. Can Mr. Ridley say if this position has changed?
- (d) Is there a risk, in the Foreign and Commonwealth Secretary's view, that the Reagan Administration may be more sympathetic to the staunchly anti-communist government of Guatemala than to an independent Belize under Mr. Price which may have leanings towards Cuba?
- (e) If agreement is reached with Guatemala, would the Foreign and Commonwealth Secretary still want to offer Belize a "defence undertaking" after independence?



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7. You should then invite the Foreign and Commonwealth Secretary and the Secretary of State for Defence to introduce the paper on security arrangements postindependence (OD(81) 6). Three separate elements are now foreseen: garrison, "defence undertaking" and build-up of local forces. There are questions to raise on each:-

- (i) Is the Secretary of State for Defence content to cover the cost of a Belize garrison for 12 months after independence from his existing budget?
- (ii) At the OD discussion in October Mr. Ridley said it had been made clear to Mr. Price that British troops could remain after independence only on condition that "every step of his foreign policy was agreed with the British Government in advance". Does the Foreign and Commonwealth Secretary agree that this condition (which is not mentioned in the present paper) should still be maintained?
- (iii) Are the Foreign and Commonwealth Secretary and the Secretary of State for Defence confident that 12 months will be the longest the garrison have to stay on? It was 6 months when OD discussed the subject last October. ?
- (iv) If we succeed in getting the Americans and/or others to join us in a "defence undertaking" to Belize, would the Foreign and Commonwealth Secretary see any danger that our partners' wishes would limit our freedom to remove our garrison at the end of 12 months? He quoted this danger to OD in October as a reason for not involving the Americans.
- (v) Is the Foreign and Commonwealth Secretary's idea that we should give the "defence undertaking" alone if necessary, i. e. if no one else will join in? Would the Secretary of State for Defence object to that?
- (vi) Would the Secretary of State for Defence want to earmark any forces in case we were asked to act militarily in the light of our "undertaking"? If so, would this impair our military contribution elsewhere, e. g. to NATO?

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- (vii) Does the Chancellor of the Exchequer agree that the Contingency Reserve should be raided for the capital cost of building up Belizean forces, as proposed in paragraph 4 of OD(81) 6? Has any action been taken on conclusion 5 of the OD discussion on Belize on 23rd October that "separate consideration should be given to any financial problem arising from Britain's disengagement from Belize"? (There are indications that none has.) If the Chancellor demurs, what do the Foreign and Commonwealth Secretary and the Secretary of State for Defence suggest? And how firm are their costings?
- (viii) How soon does the Secretary of State for Defence believe that the proposed Belizean forces would be capable of defending Belize against Guatemala without the support of a British garrison? Would they include a navy and combat aircraft? If not, who will provide these elements?

CONCLUSIONS

8. Subject to points made in discussion you might lead the Committee to:-
- (i) Take note of the present position which has been reached in the negotiations.
 - (ii) Agree that the Foreign and Commonwealth Secretary should report again to the Committee when the negotiations with Guatemala have been concluded.
 - (iii) Agree that preparation for a Constitutional Conference should continue.
 - (iv) Agree that the British garrison should remain in Belize after independence, if necessary, for not more than 12 months and subject to firm British control of Belize's foreign policy during that period.
 - (v) Agree that further consideration should be given to the desirability and possibility of a consultative defence undertaking for Belize after your and the Foreign and Commonwealth Secretary's discussions with the Reagan Administration later this month.

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- (vi) Invite the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer and the Secretary of State for Defence to discuss further the method of financing the expansion of the Belize defence force.
- (vii) Invite the Secretary of State for Defence thereafter to develop detailed proposals for such an expansion, taking account of the resources likely to be available.

Robert Armstrong

11th February 1981



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