

IMMEDIATE

PS

PS/LPS

PS/MR RIDLEY

PS/FUS

MR DAY

MR URE

~~PS/NO 10, DOWNING STREET~~

Belize

HD/M & C D (2)

DIO CABINET OFFICE

HD/S AM D

HD/DEF D

HD/NEWS D

HD/UND

RESIDENT CLERK

ms

IMMEDIATE

CUAFO 022/82

OO F C O DESKBY 02/1700Z

PP BELMOPAN (PERSONAL)

RR UKMIS NEW YORK

RR WASHINGTON

IMMEDIATE

GRS 250

RESTRICTED

FM GUATEMALA CITY 02/1548Z JUL 81

TO IMMEDIATE F C O

DESKBY 02/1700Z

TELEGRAM NUMBER 288 OF 02 JULY

R F I : PRIORITY BELMOPAN (PERSONAL) ROUTINE UKMIS NEW YORK WASHINGTON

BELIZE/GUATEMALA

1. ON 01 JULY, THE THIRD ANNIVERSARY OF HIS TAKING OFFICE, PRESIDENT LUCAS MADE HIS ANNUAL SPEECH TO CONGRESS. HE DEVOTED A LARGE PART OF THE SPEECH TO BELIZE, AND THIS PORTION OF HIS SPEECH HAS BEEN WIDELY REPORTED AND COMMENTED ON. TRANSLATION OF PASSAGES FROM HIS

OF THE SPEECH TO BELIZE, AND THIS PORTION OF HIS SPEECH HAS BEEN WIDELY REPORTED AND COMMENTED ON. TRANSLATION OF PASSAGES FROM HIS SPEECH IS IN MIFT.

2. THIS IS THE FIRST TIME THAT LUCAS HAS PUBLICLY SUGGESTED THAT THE NEGOTIATIONS MIGHT NOT SUCCEED, AND IT IS THE FIRST TIME SINCE THE SIGNATURE OF THE HEADS OF AGREEMENT IN MARCH THAT HE HAS RESTATED GUATEMALA'S CLAIM TO THE WHOLE OF BELIZE.

3. I FEAR THAT THIS SPEECH MUST STRENGTHEN OUR GROWING CONCERN THAT THE GUATEMALAN COMMITMENT TO AN EARLY SETTLEMENT HAS WEAKENED. UNTIL NOW, ALTHOUGH IT HAS BEEN EVIDENT THAT MANY OF THE ADVISERS HAD TURNED AGAINST THE IDEA OF A SETTLEMENT, IT HAS BEEN POSSIBLE TO THINK THAT THE PRESIDENT AND THE FOREIGN MINISTER WERE STILL COMMITTED TO THEIR POLICY. NEWSPAPER COMMENT HAS PICKED UPON THE TIMING OF THE SPEECH AND INTERPRETS IT AS A WARNING TO US THAT THE NEGOTIATIONS IN NEW YORK OFFER THE LAST CHANCE TO ACHIEVE A NEGOTIATED SOLUTION TO THE DISPUTE.

4. I DO NOT THINK THAT THE GUATEMALAN GOVERNMENT HAS TAKEN A FIRM DECISION AGAINST A SETTLEMENT, BUT THE PRESIDENT HAS NOW MADE IT CLEAR THAT UNLESS THE TERMS OFFERED ARE ACCEPTABLE, AND IN ACCORDANCE WITH GUATEMALAN INTERPRETATION OF THE HEADS OF AGREEMENT, THERE CAN BE NO SETTLEMENT. I INTERPRET THE SPEECH BOTH AS A SIGNAL TO US, AND AS A MEANS OF PREPARING GUATEMALAN PUBLIC OPINION FOR A BREAKDOWN IN THE TALKS.

WILMSHURST

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IMMEDIATE

SENT/RECD AT 02/1624Z GB/FC