

GRS 430

CONFIDENTIAL

See

CONFIDENTIAL

FROM UKMIS NEW YORK 100358Z JUL 81

TO IMMEDIATE F C O

TELEGRAM NUMBER 606 DATED 9 JULY 81

INFO WASHINGTON, GUATEMALA CITY, BELMOPAN (PERSONAL), OTTAWA

BELIZE NEGOTIATIONS

1. HAVING TAKEN THE MORNING TO STUDY THE BRITISH PAPERS (MY TELNO 595) CASTILLO AND MR RIDLEY MET AFTER LUNCH TO DISCUSS GUATEMALAN REACTIONS. IT SOON BECAME CLEAR THAT CASTILLO SAW NO POSSIBILITY OF PROCEEDING WITH A BILATERAL TREATY BETWEEN THE UK AND GUATEMALA, WHICH DID NOT HAVE ENOUGH ADVANTAGES TO JUSTIFY THE RENUNCIATION OF THEIR CLAIM. PRICE THEN JOINED THE MEETING IN AN ATTEMPT TO FIND A WAY FORWARD WITH THE ORIGINAL CONCEPT OF A TRILATERAL TREATY OF SETTLEMENT. DISCUSSION CENTERED UPON THE FIVE REMAINING POINTS OF DIFFICULTY. NEITHER PRICE NOR CASTILLO WAS PREPARED TO GIVE GROUND, AND FIVE HOURS OF TALK ENDED WITH THE BELIZEANS AND GUATEMALANS AGREEING TO BREAKFAST TOGETHER IN THE SLENDER HOPE THAT MORE CONTENT CAN BE GIVEN TO A POSSIBLE BILATERAL TREATY BETWEEN UK AND GUATEMALA, WITH DIRECT NEGOTIATIONS BETWEEN BELIZE AND GUATEMALA TO FOLLOW AFTER INDEPENDENCE. THIS IS, OF COURSE, THE CONCEPT REJECTED BY CASTILLO AT THE BEGINNING OF TODAY'S MEETINGS.

2. UNLESS THE GUATEMALANS ARE PREPARED TO CHANGE SIGNIFICANTLY THEIR ATTITUDE EITHER ON THE FIVE POINTS OF DIFFICULTY IN A TRILATERAL TREATY OR OVER THE MORE RECENT IDEA OF A BILATERAL ANGLO/GUATEMALAN TREATY, WE ARE LIKELY TOMORROW TO REACH END OF THE ROAD. PRICE AND SHOMAN ARE ALREADY CONCLUDING THAT THERE IS LITTLE POINT IN FURTHER MEETINGS. THEY ARE IN SELF-RIGHTEOUS MOOD AND SEEM UNDISMAYED AT THE PROSPECT OF IMMINENT BREAKDOWN. CASTILLO SEEMED TENSE AND UNHAPPY AT THE CONTEMPLATION OF THE IMPASSE WHICH WE HAVE NOW REACHED. THERE IS AN OUTSIDE CHANCE THAT HE MAY BE ABLE TO OFFER SOME MOVEMENT IF NEW INSTRUCTIONS ARE FORTHCOMING FROM GUATEMALA CITY. BUT WE SEEM TO HAVE GOT TO THE GUATEMALAN BOTTOM LINE, WELL SHORT OF WHAT WOULD BE NECESSARY TO CLINCH A DEAL ON CAYS AND WATERS (THOUGH ACCESS TO THE HIGHSEAS COULD PROBABLY NOW BE AGREED).

CONFIDENTIAL

13.

CONFIDENTIAL

3. IT IS TOO SOON TO CONCLUDE THAT A TREATY IS BEYOND REACH. BUT EVERYTHING MAY DEPEND ON HOW BADLY PRESIDENT LUCAS NEEDS A SETTLEMENT. AFTER A FURTHER DISCUSSION WITH THE BELIZEANS TONIGHT WHICH PRODUCED NO NEW FLEXIBILITY ON THEIR PART, WE CANNOT BE OPTIMISTIC. IT IS PROBABLY STILL WORTHWHILE TO ALLOW THE GUATEMALANS THE WEEKEND TO REFLECT ON THEIR POSITION BUT THIS WILL ONLY BE POSSIBLE IF THEY MAKE CLEAR TOMORROW THAT THEY ARE NOT YET READY TO ACKNOWLEDGE THAT THE TALKS HAVE REACHED BREAKDOWN POINT.

PARSONS

[COPIES SENT TO NO 10 DOWNING STREET]

BELIZE/GUATEMALA LIMITED	ADDITIONAL DISTRIBUTION
M & C D	BELIZE/GUATEMALA
DEFENCE D	PS/LPS
S AM D	PS/MR HURD
NAD	PS/MR RIDLEY
UND	PS/PUS
PUSD	SIR E YOUDE
PLANNING STAFF	MR DAY
LEGAL ADVISERS	SIR A ACLAND
CCD	MR GILLMORE
NEWS D	MR URE
INFORMATION D	LORD N G LENNOX
OPA	CABINET OFFICE
PS	

-2-

CONFIDENTIAL