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FM WASHINGTON 242330Z DEC 81

TO ROUTINE F C 0

TELEGRAM NUMBER 3933 OF 24 DECEMBER 1981,

AND TO BELMOPAN,

AND SAVING TO MEXICO CITY.

BELIZE/GUATEMALA

- 1. MORLAND (ACCOMPANIED BY FRENCH) CALLED ON CRAIG JOHNSTONE TODAY TO HEAR HOW SENATOR STONE HAD GOT ON IN DISCUSSING THE TREATY WITH THE GUATEMALANS.
- 2. JOHNSTONE SAID THAT THE TEXT STONE PRESENTED HAD INCORPORATED HAND WRITTEN AMENDMENTS TO TAKE ACCOUNT OF BELIZE'S COMMENTS RECORDED IN BELMOPAN TELNOS 148 AND 149 TO THE F C O, THOUGH IT WAS PRESENTED TO THE GUATEMALANS AS BASED ON DISCUSSIONS WITH THE THREE OTHER PARTIES (U S, U K, BELIZE). STONE SAW LUCAS, SKINNER-KLEE AND ALONSO LIMA. THE GUATEMALANS WERE GENERALLY HELPFUL. IN PARTICULAR THEY DID NOT REACT ADVERSELY TO THE REARRANGEMENT OF THE DRAFTS PROPOSED BY PRICE. THEY WERE NOT, HOWEVER, PREPARED TO COMMIT THEMSELVES FULLY TO THEIR COMMENTS, WHICH THEY WERE RELUCTANT TO DESCRIBE EVEN AS PRELIMINARY REACTIONS. THAT SAID, STONE (AND JOHNSTONE) ARE REASONABLY OPTIMISTIC.
- 3. THE GUATEMALAN COMMENTS (SEE M I F T) HAVE BEEN INCORPORATED INTO A FRESH TEXT WITH ARTICLES RENUMBERED AS NECESSARY WHICH FOLLOWS BY BAG LEAVING 29TH DECEMBER. THE AMERICANS HAVE ADDED TO THIS TEXT COCKSHY DRAFT EXCHANGES OF NOTES ABOUT PIPELINES, POLLUTION ETC. JOHNSTONE ASKED, AND WE AGREED, THAT THE FRESH TEXT SHOULD NOT BE GIVEN TO PRICE AT THIS STAGE SINCE GUATEMALAN REACTIONS ARE STILL SO TENTATIVE, AND THE TEXT COULD GIVE PRICE A FALSE IMPRESSION.
- 4. BEFORE LEAVING FOR HIS CHRISTMAS TRIP, CASTILLO HAD APPARENTLY CONVINCED LUCAS THAT IT WOULD BE A MISTAKE TO SIGN A TREATY BEFORE THE GUATEMALAN ELECTIONS ON 7 MARCH AS THE MORE RADICAL PARTIES, IN PARTICULAR, MIGHT TRY TO MAKE IT AN ELECTION ISSUE. LUCAS IS NOW THINKING IN TERMS OF CONCLUDING THE NEGOTIATIONS ON THE TREATY BY MID-FEBRUARY, THEN DELAYING SIGNATURE UNTIL THE IMMEDIATE POST-ELECTION PERIOD WHEN HE STILL HAS SOME INFLUENCE OVER HIS SUCCESSOR. JOHNSTONE SAID THAT THE AMERICANS WOULD ASK STONE TO TRY TO GET THE DATE FOR SIGNATURE BROUGHT FORWARD, BUT WOULD ACCEPT THE PROPOSED DELAY IF THEY HAD TO. IT WOULD, HOWEVER, BE DIFFICULT TO MAINTAIN THE DEGREE OF CONFIDENTIALITY OVER SUCH A LONG TIME EVEN IF, AS THE AMERICANS ASSUME, THE REFERENDUM IN BELIZE WOULD BE AFTER SIGNATURES. THE ADMINISTRATION IS ALSO ANXIOUS TO SECURE AT AN EARLY STAGE CONGRESSIONAL SUPPORT FOR FURTHER ASSISTANCE TO GUATEMALA, FOR EXAMPLE IN THE WAY OF MILITARY SPARE PARTS, AND THEY WOULD HAVE

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LIKED TO PURSUE THIS WHEN CONGRESS RETURNS AT THE END OF JANUARY.

GUATEMALAN SIGNATURE OF AN AGREEMENT WITH BELIZE COULD MOLLIFY

GUATEMALA'S OPPONENTS ON THE HILL. IF LUCAS INSISTED ON DELAYING

SIGNATURE UNTIL AFTER THE ELECTIONS, THE ADMINISTRATION WOULD

STILL LIKE, EARLY ON, TO PRESENT AGREED TEXTS OF A TREATY TO A FEW

KEY PEOPLE ON THE HILL ASSURING THEM THAT SIGNATURE WAS IN SIGHT.

5. ON TIMING, THE AMERICANS HAVE IN MIND MEETINGS IN WASHINGTON ON 6/8 JANUARY AT THE EARLIEST. THE AMERICANS WOULD TALK FIRST WITH THE GUATEMALANS (SKINNER-KLEE MIGHT COME OVER): WE AND THE U S WOULD THEN GET TOGETHER, FOLLOWED BY A MEETING BETWEEN THE U K AND PRICE, PERHAPS IN WASHINGTON.

6. JOHNSTONE SUGGESTED THAT WE TELL PRICE THAT THE GUATEMALANS HAVE GIVEN A FIRST REACTION TO THE TREATY, WHICH WE ARE CONSIDERING WITH THE AMERICANS.

F C O PASS SAVING MEXICO CITY.

HENDERSON.

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ADDITIONAL DISTRIBUTION BELIZE/GUATEMALA

THIS TELEGRAM WAS NOT ADVANCED

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[PASSE] AS REQUESTED]