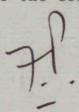
1. While the meeting of OD on 1 April was unable to deal fully with this item, you suggested that now was not the right moment to start withdrawing the garrison. The salient arguments in favour of retaining the garrison for the time being were set out in my predecessor's minute of 26 March to the Secretary of State for Defence, copied to all members of OD.

- 2. Since then the situation over the Falkland Islands has greatly strengthened our view that it would be politically impossible to announce the withdrawal of the garrison in the near future.
- 3. Moreover, in this difficult situation we must keep our lines as clear as possible with the US Government. We have had a further indication from the Ambassador in Washington that the US Government are most anxious that the garrison should not be withdrawn as scheduled. The Ambassador expects us to come under still more pressure from the US Government in the coming weeks.
- 4. The situation in Guatemala is still unclear, although the Junta do appear to be in full control of the country. The new Foreign Minister has said, in answer to a question at a press conference, that the Belize issue is being studied and that an announcement will be made in due course. With many other pressing pre-occupations facing the new Junta, I would not expect that announcement to be made soon.

/5. Meanwhile,



- 5. Meanwhile, you have not yet sent a substantive reply to the message which the Prime Minister of Belize sent you on 9 February. HMG is committed to consult the Government of Belize over withdrawal of the garrison. While that commitment is not precise. Mr Price will undoubtedly have grounds for complaint if we keep him in suspense much longer. He must be under strong temptation to breach his undertaking of secrecy and bring the whole issue into the open. Apart from anything else, he has to consider the economic consequences for Belize. Although we are being generous to Belize with economic aid and help in developing the Belize Defence Force, the High Commission estimate that the total expenditure by the garrison is about £50 a head of the Belizean population (when the total GNP of Belize is around £420 per head). While there is probably not much more we can do to mitigate this, we should at least give Mr Price as much notice as possible of our intentions so that he may take whatever remedial steps are open to him.
- 6. I therefore propose that we should agree now to defer the withdrawal date to 21 September and that you should write accordingly to Mr Price as soon as possible. This would give us a breathing space in which to consider the future of the garrison after that date.
- 7. I am copying this to other OD colleagues and will assume that they agree unless I hear to the contrary.



(FRANCIS PYM)

Foreign and Commonwealth Office