

Falkland Islands NEWSLETTER



June 1981 No 10

US talks on defence pact

The United States government is reported to be discussing a South Atlantic naval defence pact with South Africa, Argentina and other South American countries. For some time, the Falkland Islands have been talked of as a base for such a naval defence group, as the Soviet fleet increases its presence in the strategic southern oceans.

A report by Hugh O'Shaughnessy in the 'Financial Times' on May 28 states that the "idea of a South Atlantic Treaty Organisation has come to birth successfully, if a little furtively, this week in Buenos Aires, despite the fact that its parents are somewhat shy of acknowledging their parenthood.

"Called together under the auspices of private institutions in Argentina and the US, strategic experts from Washington, South Africa, Argentina, Paraguay, Uruguay and Brazil are meeting in the Argentine capital to consider the next steps in a plan, long proposed, to link the armed forces of the US, South Africa and Latin America in an effort to counter a perceived Soviet threat in the South Atlantic."

The report suggests that the Reagan administration has put aside the human rights considerations which affected relations between the US and South American countries during President Carter's time.

A notable absentee from the reported meeting is Chile, which is in dispute with Argentina over the ownership of three islands in the Beagle Channel. The two countries have been sabre-rattling at each other for some time and the discord reached a climax when international arbitrators awarded the islands to Chile. Chile resents Argentina's pretensions to naval dominance in the South Atlantic.

The importance of the Falkland Islands within the sphere of activity of such a defence grouping cannot

be understated. The Islands and Dependencies straddle some 1,500 miles of the South Atlantic and would be an ideal base for such a force, as they already possess natural harbours and an airfield which is capable of extension.

A recent issue of the Defence Year Book contained an extensive article which detailed the potential of the Islands in such a rôle, but linked instead to NATO's command by an air route along an "Atlantic Ridge" comprising St Helena, Ascension and Tristan da Cunha. NATO has no plans at present to extend its boundary limit southward to the South Atlantic, although some strategists feel that it should. Britain does not maintain a significant presence there, after ending the Simonstown agreement with South Africa. Apart from occasional Royal Navy patrols, the only British military presence is the detachment of 40 Royal Marines stationed at Moody Brook in the Falkland Islands.



The strategic value of the Falkland Islands to a naval power has never been in doubt. During the First World War, the Royal Navy sustained Lord Anson's prediction (in 1740) that the Falkland Islands would have a "prodigious import" when it eliminated German sea power in the South Atlantic at the Battle of the Falkland Islands in December 1914. In 1939, Royal Navy cruisers refuelled at the Islands after their victory at the

Battle of the River Plate, when they sank the GRAF SPEE, coincidentally named after the German commander worsted at the Battle of the Falkland Islands in 1914.

Argentina rejects freeze

New York Talks

Mr Nicholas Ridley, Minister of State at the Foreign and Commonwealth Office, led a British delegation to talks with Argentina on the future of the Falkland Islands in New York on February 23. Included in the delegation were Councillors Adrian Monk and Stuart Wallace from the Falkland Islands. Following a motion passed by the Falkland Islands Legislative Council, the British delegation proposed a freeze on all sovereignty negotiations. This was rejected outright by the Argentine delegation.

The remainder of the talks were mainly conducted between the Argentine and Falkland Islands representatives. The Argentines promised that the Falkland Islands would be treated as the most 'pampered region' of Argentina if sovereignty was ceded.

Mr Ridley told the Island councillors that he would return to London to await a further decision on future negotiations from councillors, who should canvass opinion in the Islands.

The question of the future political status of the Falkland Islands is likely to be a major issue in the elections taking place for membership of the Islands' Legislative Council later this year.

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HMG PROTECTS OIL

The British government has stepped in to prevent international oil companies taking up tenders for oil exploration in the seas between Argentina and the Falkland Islands, the 'Times' newspaper has revealed.

In an article by Michael Frenchman on May 18, the Foreign Office is reported as threatening legal action against companies taking up a tender offer made by the Argentine state oil company YPF to drill for oil.

YPF RISK CONTRACT

Call for bids concerning hydrocarbon exploration, development and exploitation within Zone 96 of YPF, according to the following chart:

TENDER NO.	AREA	OPENING DATE
14886/80	MAGALLANES ESTE Sector Punta Arenas	April 24th 1980 10.00 AM

* Tender conditions can be seen. The document of sale is 14886 in Argentine pesos, and also according to the actual rate of exchange of the Banco de la Republica Argentina in force on the day before the deadline.

* Opening of the bids will take place at the "General Belgrano" Hall, 1611111 Buenos Aires, Plaza Suarez, 1000 from Buenos Aires, at the above mentioned time.

* The public interested in bidding in this tender can purchase Special and General Conditions of Tender at the COMERCIO DE LICITACIONES Y REPRESENTACIONES, Suite 600, 8th floor at 270 Lavalle Street, Buenos Aires, Monday through Friday from 08:45 to 12:30 A.M. and from 02:15 to 03:15 p.m. on from October 16, 1980.

* Information on the tender can also be obtained at our Technical and Commercial Office in the U.S.A. Technomic Petroleum Products Inc., 267 Street 3, Commerce Plaza Suite 210, Houston, Texas.

YACIMIENTOS PETROLIFEROS FISCALES
SOCIEDAD DEL ESTADO
REPUBLICA ARGENTINA

The YPF advertisement published in The International Herald Tribune on November 6 1980

The Foreign Office has taken the unprecedented step of publishing a warning notice in the form of an advertisement in the 'International Herald Tribune' newspaper.

Argentina had previously advertised in the 'Tribune' and other newspapers for companies to drill in the Magallanes Este area — a risk contract block which comes to within 96 miles of the Falklands. There is increasing offshore oil activity in the South Atlantic between the Islands and the Patagonian shores of Argentina some 350 miles to the west.

FALKLAND ISLANDS

In connection with the recent invitation by the Argentine State Petroleum Company (YPF) for tenders to drill for oil in the Magallanes Este Block, Tender No. 14886/80, the Ministry's Government will respond to the attention of oil companies the following caution and answer given in the House of Lords on 15 December:

Lord AVEBURY asked Her Majesty's Government whether they have received any agreement with the government of Argentina on the demarcation of the boundary between the exclusive economic zones of the Falkland Islands and Argentina; whether they are aware that the Argentine state petroleum company (YPF) advertised in the 6 November Herald Tribune for tenders to drill for oil in the Magallanes Este Block, Tender No. 14886/80 and that this Block is well over the Falkland Islands side of any possible median line; and whether they will disclose a notice to all potential bidders making it clear that the United Kingdom does not recognise Argentina's sovereignty over this Block and will reserve its rights to take legal action for the recovery of damages against any company which drills there.

Lord CARINGTON: No agreement has been reached between the United Kingdom and Argentine Governments on the demarcation of the continental shelf in between the Falkland Islands and Argentina. In the absence of agreed boundaries, neither party, in Her Majesty's Government's view, would be entitled to exercise continental shelf rights beyond the median line between the Falkland Islands and Argentina. We have protested to the Argentines about the YPF tender which also related to beyond the median line. We are continuing to keep the situation under review and will take further action as necessary to preserve our legal position.

The Ministry's Government assure that oil companies will take the above into full account in considering whether to place tenders to drill for oil in the Magallanes Este Block.

Foreign and Commonwealth Office
22 April 1981.

The Foreign Office "reply" in the same newspaper on May 14 1981

Already a number of strikes have been made by some of the international oil companies which are operating offshore, including Shell, Deminex, Total and Esso, reports the 'Times'.

Concern over the latest drilling area was first raised in the newspaper during last December, when the matter was taken up by Lord Avebury in the House of Lords.

Britain disputes Argentina's right to allow drilling anywhere within a putative 200-mile zone around the Falkland Islands.

General Carlos Mason, president of YPF, later claimed in a radio interview that 'Argentina has acted within its rights'.

Falkland ships return

HMS ENDURANCE, the Royal Navy's ice patrol ship, and the British Antarctic Survey ship BRANSFIELD, have recently returned to British ports after seven-month voyages throughout the Falkland Islands and Dependencies.

HMS ENDURANCE has made a 29,500 mile voyage, during which she helped scientists test icebergs to see whether they can be towed to irrigate the world's arid regions.

She broke off her scientific and patrol work to tow the support ship JOHN BISCOE 1,000 miles from Port Stanley in the Falkland Islands to Montevideo, Uruguay for repairs.

Both the ENDURANCE and BRANSFIELD have been involved in a BBC Natural History Unit film project led by naturalist David Attenborough. Two films were being produced — a children's nature programme called Wildtrack and a planned sequel to Life on Earth, the popular BBC series.

HMS ENDURANCE carried out her own programme of research and study, photographing penguin colonies, fixing the exact positions of smaller islands, collecting soil samples and taking soundings. After a break in the Falkland Islands, the ship took the Governor to Elephant Island and Ross Island, where teams from the ship managed to establish supply dumps for the British Antarctic Survey. Further survey work was completed within the Antarctic Circle, in Marguerite Bay, before ENDURANCE returned to Portsmouth after 132 days at sea.

The BRANSFIELD, meanwhile, landed geologists and biologists at several rarely — or never previously — visited places along the Antarctic Peninsula and in the South Shetland Islands. At 68 degrees South, on Refuge Island, they found the most southerly known flowering plant in the world — Antarctic hair grass.

The vessel's scientists took air samples throughout the voyage for the Harwell Research Station in order to assess the global distribution of halocarbons in the atmosphere.

At Deception Island, the crew of the BRANSFIELD and her scientists discarded their warm clothing and swam in the Antarctic waters — where they are heated by volcanic activity.

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SOVEREIGNTY OPTIONS

Falkland Islanders are discussing the six options for their political future which emerged during Mr Nicholas Ridley's visit to the Islands in November last year.

Against the background of Argentina's persistent claim to

THE Argentinian Foreign Minister has strong views about the Falklands . . .

When I spoke to Dr Oscar Camilion in Buenos Aires, he told me he knew that the Falklanders looked on Argentina as a foreign land.

"I can understand the Islanders," said Dr. Camilion, speaking in perfect English, and with the blue and white Argentinian flag at his side.

"And I can understand that this very peculiar isolation of the Islanders creates a very peculiar attitude to the world.

"We are the eighth largest country in the world and the Islands are just a fragment of what we regard as our territory. They are outmoded—an anachronism, some people say.

DAILY EXPRESS Monday June 1

sovereignty over the Islands, a British colony almost entirely populated by people of British stock, the options canvassed by Mr Ridley are as follows:

- 1 continuing the present talks with Argentina about economic cooperation and a change of sovereignty
- 2 freezing the present position for a suggested period of 25 years
- 3 stopping the talks
- 4 giving independence to the Islands
- 5 establishing a British/Argentine condominium or joint-ownership of the Islands
- 6 ceding sovereignty to Argentina with a simultaneous lease-back for a very long period.

In London, the UK Falkland Islands Committee has set up a sub-committee to study the various options proposed. The sub-committee comprises experts in law, finance, commerce and diplomacy.

No swift moves can be expected in resolving the long-standing dispute, while deliberations take place in the Falkland Islands, in Buenos Aires and in London.

COLONIAL STANDSTILL

Lord Carrington's intentions to resolve the problems of Britain's colonies within twelve months, stated at a Press Gallery lunch in the House of Commons last summer, are not being borne out.

The frontier between Gibraltar and Spain is not yet open, despite government hopes that free movement of goods and traffic could begin before the autumn.

In Belize, the independence from Britain and the accommodation with Guatemala proposed by the Foreign Office is still the subject of diplomacy in New York — and much resistance from the Colony's population.

Hong Kong does not occupy a prime position on the agenda for de-colonisation, since China — the Colony's eventual owner under a lengthy lease-back arrangement — is content with the status quo.

The Falkland Islands are standing behind the assurances of successive British governments that nothing will be done against the wishes of the Islanders.

Nationality Bill

An amendment to the Nationality Bill claiming special status for Falkland Islanders was put down by Mr Michael Shersby MP (Con — Uxbridge) during the Committee Stage, but was not carried.

Government guarantees were given instead that Falkland Islanders who do not qualify to immigrate into the UK under the eventual Act will receive sympathetic treatment.

Any Islanders in doubt about their position may refer their case to the Falkland Islands Office, which will take the matter up with the appropriate government department.

The Nationality Bill is expected to have completed all its parliamentary stages before the summer.

EEC AID MOVE

The European Community is now in a position to "facilitate the economic and social development and to strengthen the economic structure" of the Falkland Islands

following a decision of the Council of Ministers.

The Islands, along with other overseas countries and territories associated with the Community, may now receive financial aid and "technical cooperation" from Brussels, although the Islands stand less chance of help than Third World or developing countries because of their colonial status.

Sheep farmers in the Scottish Isles received emergency EEC aid last year because of harsh weather after a vote in the European Parliament raised by their constituency member. The Falkland Islands are represented in the European Community by the British Government. The Foreign and Commonwealth Office has personnel at every Plenary Session of the European Parliament and meetings of the Council of Ministers and has permanent staff in Brussels.

FALKLAND FINANCES

The Colony's reserves on June 30 1980 were £1,046,000 for the year 1980/81 but an estimated fall of £350,000 in revenue from Companies Tax in the year ending June 30 1981 is expected to show a deficit of over £70,000.

This is not particularly serious in relation to reserves but there is some cause for anxiety for the future. A deficit of up to £500,000 is possible for the year 1981/82, following a sharp decline in wool revenue during 1980, which will only show up at that time. There has been a marked improvement in wool prices during 1981 but much has been absorbed in higher costs.

The Falkland Islands have always paid their way until recent years and have made a net contribution to the British Exchequer. Latterly there has been substantial aid from the British Government for projects such as the airfield and communications. The Islands are not yet a Grant-in-Aid Colony.

Despite this bleak analysis it is hoped that the situation will improve with the ending of the world recession.

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Falkland Islands UK Fighting Fund

Readers of the 'Newsletter' will, with many others having only a tenuous connection with the Islands and to whom we have written, be pleased to hear that so far we have had a generous response to our circular letter of appeal for donations.

We would extend our formal and grateful thanks to all who have so freely contributed.

We know from letters received that such appeals, together with those of numerous charities and other bodies, are these days a drain upon the resources of many, especially the elderly and retired — of whom it seems we have a fair number on our records. However, many have gladly given, together with their earnest and good wishes for the Colony's future.

We would also extend our especial thanks to members of the Philatelic Study Group who so readily responded.

It has been interesting, and a confirmation if any were needed, to learn from much correspondence of the continued depth of feeling which the sovereignty issue engenders, not only in ex-Kelpers but in many others.

Les Taylor

Honorary Subscriptions Secretary

BARNES FAIR

The Falkland Islands Office is to run a stall at Barnes Fair, London SW13, on July 11. T-shirts, yachting caps, Christmas cards and woollen items will be sold there by Miss Sukey Cameron, the Office's executive secretary.

ISLAND SPEAKERS

A Falkland Islander living in London, Captain Patrick Vincent RN., has given numerous illustrated talks on the Falkland Islands to various groups. His talks cover the political, social and wildlife aspects of the Islands.

In the West Country, Major Ronnie Spafford RA from Weston-super-Mare is also a prolific speaker on the Islands. A philatelic journalist and secretary of the Falkland Islands Philatelic Study Group, he edits the group's magazine "The Upland Goose".

Organisations wishing to contact these and other experts on the Falkland Islands may do so through the Falkland Islands Office.

CPA MEETING

Mr John Biggs-Davison MP (Con — Epping Forest) is the host at a meeting of the Commonwealth Parliamentary Association (CPA) on June 24, when parliamentarians will meet visiting Falkland Islanders and members of the UK Falkland Islands Committee in the CPA's rooms at the House of Commons. Falkland Islanders wishing to attend should contact the Falkland Islands Office.

Sales

The following items may be purchased from the Falkland Islands Office:

- T-Shirts. Coloured Falkland Islands crest or "Keep the Falkland Islands British" slogan. S, M, L, £3.00; children's sizes 24/26/28 inch, £2.50.
- Head Squares. Pale blue polyester with crest, £2.00.
- Ties. Dark blue polyester with crest, £2.50.
- Cloth Yachting Caps. Various colours with penguin motif, one size, 70p.
- Tweed Skirt Lengths. Falkland Islands tweed, various colours, £8.00.
- Greetings Cards. With colour picture of Royal Marine Band Beating Retreat, 12p.

TV PUBLICITY

A sympathetic view of the problems faced by the Falkland Islanders was given in a 45-minute documentary broadcast by BBC television on May 11. The documentary was presented by Bob Langley and concentrated on the personal and political aspects of the dispute with Argentina.

The film was broadcast on the BBC's popular lunchtime show "Pebble Mill At One", produced in the Birmingham studios. It contained numerous interviews with Islanders as well as interviews with Mr Nicholas Ridley, Minister of State at the FCO, the Argentine Ambassador in London and with the Governor of the Islands, Mr Rex Masterman Hunt.

It is hoped that the documentary will soon be shown to evening audiences.

The Falkland Islands are now attracting considerable interest from broadcasters. The Anglia wildlife film shot by Cindy Buxton was shown at peak viewing time last Christmas and there have been several BBC wildlife productions. As reported elsewhere in the 'Newsletter', David Attenborough, presenter of 'Life on Earth', has recently been filming in the Falkland Islands and Dependencies for two new BBC programmes.

Lincoln's Inn Reception

The Annual Reception this year will be held on Thursday June 18 at Lincoln's Inn. The Reception will be attended by Members of the House of Lords and Commons, Government officials, Falkland Islanders on leave and Islanders and supporters in the UK. The Band of the Royal Marines will beat retreat.

JOHN REMINGTON SPENCER

It is with deep regret that we have to record the tragic and untimely death after a long illness of John Remington Spencer. He was a partner of Jacomb, Hoare & Co., the wool brokers, a member of the Executive Board of FIRADA and had acted as honorary accountant for the Falkland Islands Office since its formation. He will be sadly missed.