

Falkland Islands NEWSLETTER

FALKLAND ISLANDS ASSOCIATION

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FALKLAND OIL DATA IN MARCH

by Allan Piper, News Editor,
THE OILMAN

The seismic surveys currently underway in waters off the Falkland Islands could lead to a British Government decision on whether or not to strike an oil exploration deal with Argentina by the middle of this year.

Lord Goronwy-Roberts (MINISTER OF STATE, FCO) told Parliament recently that results from the surveys, conducted by two American companies with the blessing of the Falkland Islands and Argentine authorities, should be ready by March. After that, the Government would await their evaluation before inviting bids for exploration concessions on the Falklands' continental shelf.

According to British Petroleum, one of the four oil companies sponsoring the work, it normally takes about three months to interpret such data.

Lord Goronwy-Roberts' statement, which came during question time in the House of Lords, not surprisingly left more said than satisfactorily answered. On the one hand, the Minister willingly confirmed that if it came to issuing licences Argentina would probably play no part in waters belonging to the Falklands. On the other, it seems doubtful whether that assurance amounts to much anyway since it carried the rider that such issues might best be decided by working groups set up to consider 'cooperation among all three countries in the exploitation of the resources of this area'.

By the same double token, Lord Goronwy-Roberts dodged answering whether it was true that the State-owned British National Oil Corporation was holding secret talks with Argentina's own State petroleum concern, YPF, with a view to issuing joint exploration licences.

For most Falklanders that is the crunch question. It has been suggested that oil muddies the stormy waters around the islands. In fact, the precise opposite is more probably true — it should smooth them.

The British Government has not been slow to realise that Argentinian economic interests would be well served by access to oil deposits in disputed territory. Current domestic production provides Argentina with around 86 per cent of her oil requirements, but by 1985 the Government aims

to achieve... expects to remain above that point for some time beyond then.

With areas of continental shelf between Argentina and the Falklands containing perhaps four times as much oil as the North Sea, according to some US estimates, the Argentine authorities clearly cannot afford to ignore their potential. But neither can they hope to produce oil from South Atlantic waters without help from outsiders, at least in the first instance. Since few countries can offer the know-how or technology developed by Britain over the past ten years off her own shores, both countries have much to gain, politically and economically, from agreeing over oil instead of fighting over it.

As Lord Goronwy-Roberts so eloquently, if evasively, put it: 'We hope that the results of these surveys, if they are favourable results, will benefit not only the Argentine, but also the Falklands, and in that way fortify the economy of the Falklands.'

Talks start in Lima

Negotiations between the governments of Britain and Argentina on the political and economic future of the Falkland Islands began in Lima, Peru, on February 15. The talks are the third round in a series which began in Rome last July. In December, Mr Ted Rowlands MP was the British delegate at further discussions in New York. It was then decided to establish two working groups, one to negotiate the sovereignty of the Falkland Islands and the other to discuss economic cooperation on the offshore resources in the area.

It is expected that work on economic cooperation, seen by Lord Shackleton as "desirable, but not essential", will move quickly, spurred by interest in hydrocarbon deposits and fisheries. Seismic research data will be available to the working group during March.

Discussions on the future sovereignty of the Falkland Islands are likely to take a considerable time. Any conclusion other than a confirmation of British sovereignty over the Islands — first occupied by Britain in 1764 — will find no support among the Islanders, 97 per cent of whom are British and determined to remain so. The principle of self-determination, Article One of the United Nations Charter, ensures an international acknowledgement of the Islanders' rights.

Cabinet security on Falklands

A three inch section of the Cabinet Minutes for 1947, released recently under the 30-year rule, has been erased. Yet the 'blinking out', carefully done on both sides of the paper, still reveals the words "Falkland Islands" faintly indented.

It is believed that the obliterated section refers to a legal opinion on the British sovereignty of the Islands which was given to the Government by the Law Officers, then Sir Frank Soskice (Lord Stowhill) and Sir Hartley Shawcross (Lord Shawcross).

The same legal opinion is likely to be fundamental to the position of the British team discussing the political future of the Islands with Argentina.

The Argentine Claim to Sovereignty

The Republic of Argentina, which has a credible history of participation in international affairs, is not a signatory to the optional clause in the International Treaty establishing the Permanent International Court of Justice at The Hague. This means that, unlike Britain and most other western countries, Argentina will not bind herself to accept the jurisdiction or the rulings of the International Court. Why not?

The reason is to be found in the history of Argentina, commencing with the withdrawal of Spain from Buenos Aires and the establishment of the United Provinces of Buenos Aires in 1816 which came under the dictatorship of Manuel Juan de Rosas, in 1829. Rosas ruled Buenos Aires and invaded his neighbours until he was overthrown in 1852 and died in exile in Southampton.

Rosas' policy of expansion has remained the policy of the Argentine Republic, which was founded in 1860. Rosas attempted to conquer Uruguay and the independent Provinces of the River Plate, but was defeated by the inhabitants of those and other neighbouring countries. It was Rosas whose forces were stopped by ships, first of the American and then the British navy when in 1829 and 1831 he attempted to seize the Falkland Islands from their only inhabitants, the British sealers and whalers whose southern base the Islands had been for more than a century and who had been joined in the 1820s by sealers from the United States. Rosas' successors event-

ually absorbed the Provinces of the River Plate. The Argentine Republic continued his expansionist policies at the expense of Argentina's neighbours: Uruguay, Brazil, Paraguay, Bolivia and Chile. Argentine expansion to the north and west was stopped only by force, or by the readiness of her neighbours to resist. Argentina and Chile engaged in a race southwards to Cape Horn, a race which even today, with the rejection by Argentina of the Beagle Channel Award of islands off Cape Horn to Chile, is not concluded. Chile and Argentina compete with one another and with Britain for sovereignty in the Antarctic, claims now suspended by the International Antarctic Treaty.

The official Peronist publication, "La Patria Grande de Bolivar a Peron", by Carlos Machado (Buenos Aires ed. Crisis 1974) advances the claim of Buenos Aires to become the capital of a South American Federation dominated by Argentina. There is no doubt that the author reflects the aspirations of Argentine nationalist opinion.

Argentina has rejected the jurisdiction of the Permanent International Court in territorial disputes because as an expanding imperialist power, still in 19th century mood, Argentine Governments have been and are well aware that under international law, the Republic has no legal right whatever to the Falkland Islands, to South Georgia or to the Antarctic. If Britain could bring the various Argentine claims before the Permanent International Court, as British Governments have sought to do, Argentina would lose, and the Argentine Government knows it.

The present Argentine Government's rejection this year of the Beagle Channel Award, which Argentina was bound by a Treaty of 1902 with Chile to accept, underlines the point. This, at least, was a private dispute between Argentina and Chile. Argentines are, however, sensitive about their international image as leaders of the Third World countries, and rightly proud of their country's reputation in international and Pan American affairs. To reject a judgment of the Permanent International Court of Justice would, even in the modern world, destroy this image. Worse, it would expose the Argentine claim to the Falkland Islands for what it is. The United Nations could not then continue to avoid the question "Why should the Falkland Islands become an Argentine colony?"

To be continued

B.A.S. gathers wool

The British Antarctic Survey ship, JOHN BISCOE, came to the rescue of outlying farms in the Falkland Islands when the internal supply ship, MONSUNEN, broke down recently. At the height of the wool collecting season, the MONSUNEN's main crankshaft fractured and she was withdrawn for repairs. The JOHN BISCOE made a wool collection voyage which has avoided serious delay to the ANNETTE DANIELSEN, the Islands' external cargo ship.

MONSUNEN is now fully operational again.

EEC may aid Islands

The Common Market could provide the capital needed by the Falkland Islands to develop their resources. British MPs heard in the European Parliament on January 18.

The hint was dropped by the Parliament's new president, the Danish Foreign Minister, Mr. Knud Andersen.

Speaking in Luxembourg, Mr. Anderson said that a decision taken by the Council of Ministers 18 months ago, to provide aid to territories associated with Common Market countries, would apply to the Falklands.

It could mean that the EEC will help to provide an extension to the airport which the islanders need in order to be independent of Argentina.

Mr. Andersen was replying to questioning by the Conservative M.P. for Sheffield, Hallam, Mr. John Osborn.

Argentines will build fuel jetty

Falkland Islands Councillors have been told by Mr Ted Rowlands that an Argentine labour force will build an oil jetty for the Falklands on the same conditions as they participated in the airfield construction there.

The British company, Johnston Construction, which won the airfield contract through public tender, was not asked to quote for the oil jetty. The jetty contract was given to the Argentines because their offer (£300,000) was about half the sum estimated by the Crown Agents. Tenders for the construction of the jetty were not sought.

The oil jetty will be paid for by the British Government, although under an agreement with Argentina, the Argentine Government undertook to pay for the jetty if it was necessary. The Shackleton Report recommended that fuel be piped ashore from ships moored to dolphins — fixed mooring posts with a pipeline connection — a system used by large oil refineries and small communities all over the world. The cost would be considerably less than that for a jetty.

Prince Bernhard visits Falklands

Prince Bernhard of The Netherlands paid a visit to the Falkland Islands in January with members of the World Wildlife Fund. A contract has been signed with the Falkland Islands Government for a series of coins to be minted, the highest denomination being a £100 gold coin. The coins will be legal tender. Prince Bernhard was accompanied by Sir Peter Scott and Mr Sherpa Tensing.

BOOKS

Two books have recently offered revealing information about the way that Whitehall operates. *The Crossman Diaries*, published by Hamish Hamilton, give an insight into Cabinet meetings. The following extract is from a Cabinet discussion on Overseas Policy and Defence on Friday, October 24 1969:

"At O.P.D. we had two fantastic items. The first was the hijacking of planes and what the British were going to do about it at Heathrow, and the second was even more James Bondish and ridiculous — no, not Bondish, novelettish. This was what to do about the Falkland Islands, where a thirty-nine-year-old American was thinking of collaborating with a British company to spend millions on a potential oil strike, apparently based on some geologist's vague talk fifty years ago. Indeed, you might well ask why on earth we don't welcome someone who is willing to spend his money trying for oil at the Falkland Islands; it's not much worse than Alaska. The chiefs of staff at the meeting are usually silent but one, an admiral, said, 'Yes, it's further off but it's easier to get at all through the year.' There was an elaborate paper from Michael Stewart saying that if the Argentinians suspected an oil strike they might land an army and then where would we be if they tried to take over the islands and the oil. Frankly, no one knows if there is any oil there or not and, as I said, this may be an undergraduate idea but the striking fact was that the Foreign Office said the only thing to do was to conceal the suggestion and prevent any testing.

"Jim Callaghan and I often have the same idea and he came out with exactly what I was thinking. He said, 'I don't see why we shouldn't make this the basis of consultation with the Argentinians. Why don't we talk to them about it? We could say, "There is this American who wants to spend his own money looking for oil and if this spreads further into your territorial waters we should have joint control of the tests." Of course this was too simple. We were told that the Foreign Office had thought of it but it was too dangerous because we might still provoke the Argentinians into landing an army. In the end we universally settled for a suggestion of George Thomson's. 'We don't want to go into this in the year before the election,' said he. 'Let us play for time during this year.'

and Sir Harold Wilson's Press Secretary, Mr. Joe Haines, referred to the Falkland Islands in his book *'The Politics of Power'*:

"If it were possible to compress the F.C.O.'s ideal world into a single concept, I suppose it would look something like a Common Market peopled entirely by crusading, anti-Communist Bedouin. If I lived in Gibraltar or the Falkland Islands I would not sleep at night for worrying about it, because, so far as policy is concerned, those territories are peripheral; if the British connection is to be preserved it will be up to the politicians to do it. The officials will never die in the ditch for either of them."

PARLIAMENTARY DEBATES

Westminster Debate Continues

In the House of Commons, Mr Ted Rowlands, Minister of State for Foreign and Commonwealth affairs, continues to face insistent questioning from MPs.

In early December, a question by Mr Michael Clark Hutchison (Con. Edinburgh South) about the gross national product of the Falkland Islands prompted Mr Rowlands to state that "the greatest bar to the development of the Islands' economy is the dispute that exists between ourselves and Argentina". In reply to a question from Mr Robin Corbett, (La. Hemel Hempstead), Mr Rowlands said that the development of resources in the waters surrounding the Islands was subject to economic co-operation with the Argentine Government.

Mr Donald Stewart, (Scot. Nat. Western Isles), pointed out that any change in the status of the Islands would be totally resisted by members of all parties, but when Mr Douglas Jay, (La. Wandsworth, Battersea North), asked for a simple undertaking from the Minister that "there will be no change in the constitutional status of the Islands without the consent of the people there", Mr Rowlands repeated earlier statements that "we will not bring anything to the House which is not acceptable to the Islanders themselves".

Mr Jeremy Thorpe, (Lib. North Devon), asked the Government to seek a declaration from the International Court of Justice on Argentina's claim to sovereignty of the Falkland Islands. He was told that Argentina did not accept the Court's jurisdiction. Mr Thorpe then asked whether Argentina's lack of acceptance of the International Court's jurisdiction shed some light on its lack of competence in international law; Mr Rowlands said that sovereignty was and will remain part of the terms of reference for negotiations. Mr Ronald Bell, (Con. Beaconsfield), asked the Minister to stop putting pressure on the Falkland Islanders to comply with the defeatism of the Foreign Office. Mr Rowlands replied that the Islanders "are a determined and resilient people and they will not be bullied by Ministers or the House".

On December 16, Mr Hugh Fraser, (Con. Stafford & Stone), initiated an adjournment debate. He mentioned Sir Bernard Braine's Early Day Motion, which had recently been signed by nearly 200 MPs. Mr Fraser described the economic potential of the Islands and surrounding waters, their grasslands, alginates, offshore oil and fish. He emphasised the need for an enlarged airfield and said that £15m only was needed to carry out Lord Shackleton's recommendations over the next five years. Mr Fraser compared this to Britain's annual expenditure on overseas aid and, in particular, the £10m granted to Mozambique in 1977.

Mr John Davies, Shadow Foreign Secretary, joining in the debate, said that it would not be a happy matter if the Falkland Islanders accepted a proposal for variation in status as a result of extortion by economic pressure. This would make the abandonment of their sovereignty almost a prerequisite for their economic survival. He emphasised that "the Islanders have already made it abundantly clear that they wish never to be anything but British".

Mr Eric Ogden, (La. Liverpool, West Derby) pointed out that support for the Falkland Islanders was found in members of all political parties.

Mr John Tomlinson, parliamentary secretary to the ODM, responded on behalf of the Government. He concluded his speech with the words "I am sure that the House will recognise from many of the things that I have been able to list today, which are very important to the small island economy, that my department is taking seriously the recommendation of Lord Shackleton and the future interests of the 1,950 people within the Falkland Islands." He assured the House that the problems raised in the debate would continue to receive the serious attention of his department.

The subject of the Falkland Islands has been raised frequently in the House of Lords. Several peers, including Lord Mottistone, Viscount Thurso, Lord Avebury (who mentioned the human rights issue), Lord Hailsham, Lord Morris and Lord Lauderdale have been particularly active speakers.

100 Years of Postage Stamps

This year is of signal importance to the growing army of Falkland Islands philatelists, because it was on 19 June 1878 that the first postage stamps were issued in the Islands. The design chosen was a head of Queen Victoria in an oval, engraved by Herbert Bourne of Pall Mall, London. This was already in use for a forthcoming stamp issue of Transvaal, surrounded at each corner by simple trefoils drawn by means of a pantograph. The stamps were produced by Bradbury Wilkinson & Co. and initially there were two values, 1d. claret and 6d. blue-green, to pay for the overseas postage rates in force at that time — letters, 6d. per ½ oz; printed matter, 1d. per 4 oz. The cost to the Falkland Islands Government for the total production of 20,000 stamps of each value was but £12! Later in 1878, a third value, 1s. bistre-brown was added, and in 1879 a 4d. grey-black value, to meet the reductions in postal rates required by the newly joined U.P.U. of 4d. per ½ oz.

Because of their simple, dignified designs — which remained basically unchanged apart from the sovereign's head until 1929 — Falkland Islands stamps rapidly became popular with stamp collectors. It is of note that in 1904 a competition organised in America to select the most beautiful stamp in the World awarded first place to the 1898 2s. 6d. deep blue stamp of the Falkland Islands.

The very high standard of design and production of stamps demanded by the Falkland Islands Government together with a sensible issuing policy has continued with few exceptions until present times.

Stamp issues at present bring in the second only income to the Islands, and have the following of the leading philatelists. It is essential, therefore, for the longer term that the previous high standards of design, production and issuing policy are maintained. No temptation must be accepted towards overproduction or gimmickery on the false premise now so prevalent among so many other small countries, that thereby revenue will be increased, or collectors will look elsewhere and desert.

On 25 January the Falkland Islands issued a new definitive set featuring the historic Mail Ships of the Falkland Islands. Designed from specially commissioned water-colours by John Smith, marine historian and curator of the museum in Stanley, these beautiful stamps fulfil all the past traditions of Falkland Islands Philately. They will surely prove to be a winner in terms of popularity and subsequent revenue.

In August, a special commemorative issue of four stamps will be made to mark the first hundred years of Falkland Islands stamps. Prepared by John E. Cooter, the well known stamp designer, each value will feature one of the first four stamps of the Islands, together with illustrations of the first two Post Offices in Stanley, the first Post Office at Fox Bay and that of New Island. Surely yet another winner for the Falkland Islands!

by Major Ronnie Spafford
Editor 'The Upland Goose'

falkland wool

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UN KRILL REPORT IS OUT

A report published recently by the UN Food and Agricultural Organisation states that up to 150 million tonnes of shrimp-like krill with a market value of about \$90,000M could be harvested in South Atlantic waters each year.

The 300-page report, split into three sections — 'The Living Resources of the Southern Ocean', 'The Harvesting of Krill' and 'The Marketing of Krill' — shows that 150 million tonnes of krill are surplus to the consumption by whales. The annual world fish catch is about 70 million tonnes.

Krill are most abundant between the Falkland Islands and South Georgia, both British territories. Ships from Russia, Eastern Europe and Japan are already taking substantial tonnages of krill for use both as animal feed and for human consumption.

The South Atlantic Fisheries Committee, presided over by Mr James Johnson MP (Labour, Hull West) and operating under the auspices of the Falkland Islands Research and Development Association, is preparing a memorandum for submission to the British government. The memorandum, details of which will be published in a subsequent 'Newsletter', urges a commercial fisheries survey of the South Atlantic.

The SAFC includes representatives of the British fishing industry, agricultural and consumer organisations, food manufacturers and scientists.

The FAO Report, No. GLO/SO/77 1-3, was prepared as part of the United Nations Development Programme.

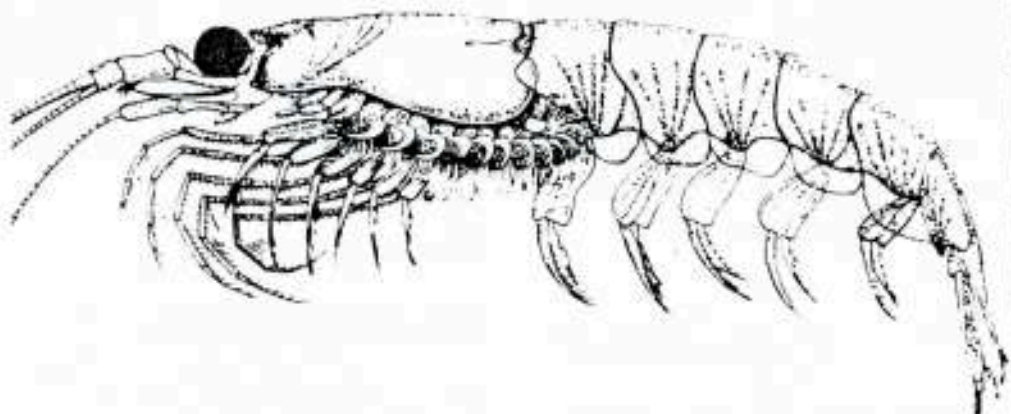
F.I.C. to lease Green Patch

The Falkland Islands Company has offered its East Falkland Farm, "Green Patch", for subdivision for tenant farming. The *Newsletter* was told that the Falkland Islands Government has set up a committee to consider the scheme, which follows the recommendations of the Shackleton Report.

T-shirts!

'Keep the Falklands British'
or F.I. crest £2.00 each
Crested blue TIES £1.50
inc P&P in UK

& FREE Falkland Islands Office
brochures 16 Regency Street
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KRILL (5cm)

Toys Galore Wreck to be Lifted-

A team of shipping archaeologists is visiting the Falkland Islands to study the possibility of moving more wrecks to maritime museums. The SS GREAT BRITAIN, now at Bristol, was salvaged from the Islands.

At Kelp Lagoon are the remains of the 200-ft American square-rigged cargo vessel ST MARY, wrecked on her maiden

voyage in 1890 with a cargo of toys. It is expected that one half of the wreck will be restored for the Falkland Islands Museum at Port Stanley, and the other half will be returned to the United States.

The archaeological team hopes that the sections can be moved with the assistance of the Falkland Islands Company's supply ship, MV MONSUNEN, and the United States Navy.

• COMMITTEE NOTES •

A delegation representing the United Kingdom Falkland Islands Committee, the Falkland Islands Research and Development Association and the South Atlantic Fisheries Committee met Mr Ted Rowlands MP on February 13 and had a very full and satisfactory discussion about the future development prospects for the economy of the Falkland Islands and dependencies.

Battle Day in London

The ceremony organised by the UK Committee at the Cenotaph in Whitehall to mark Falkland Islands Battle Day was attended by about 60 people. Among those present was Miss Mary McLeod, who, as a child during the First World War, first sighted German naval bunkering vessels off the Islands. Her suspicions aroused, she telephoned the Governor, who alerted the Admiral. In the naval battle which followed, Britain ensured her supremacy in the South Atlantic for the remainder of the war.

Manchester Branch

A Manchester branch of the UK Committee was formed on February 9 following the efforts of a local councillor, Mr Roy Walker, to enlist local support. In a letter to all the newspapers in his area, Mr Walker, who is a member of FIRADA, wrote of the Islands: "The people are of British descent and indeed one wonders at times if the government would be quite so contemptuous of their aspirations if they were not."

Petrol Rationing "A Political Lever"

Mr Neil Watson, chairman of the Stanley branch of the Falkland Islands Committee, described the recent petrol and paraffin rationing in the Islands as a "political lever" by the Argentines, who hold a monopoly of fuel supplies. He told the annual general meeting:

"You cannot control anything much more vital than a country's fuel and external travel services, which, of course, includes emergency medical services.

"If we continue to accept services from Argentina, our claim to self-determination as a people, a claim which Argentina has repeatedly said she does not recognise, looks all the more foolish in the eyes of our supporters and the world. Somewhere we must call a halt, even if it means some inconvenience for a time, in those services which Argentina provides. We must have the courage of our convictions."

Island Tour

Mr John Dodwell, a member of the UK Committee and the Falkland Islands Research and Development Association (FIRADA), completed a three week liaison visit to the Islands on February 13. Meeting as many people as possible, including the Governor, Mr Dodwell travelled throughout the Islands to hear Islanders views and to explain the recent work of the UK Committee, FIRADA and the South Atlantic Fisheries Committee. His visit culminated in a public meeting in Port Stanley on February 10.