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## RESEARCH DEPARTMENT MEMORANDUM

THE FALKLAND ISLANDS DISPUTE:  
DEVELOPMENTS FROM MARCH 1978 - MAY 1979

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American Section

## SUMMARY

1. The Lima Working Group talks of February 1978 were followed by a six-month stalemate. By changing their line on the Falklands Continental Shelf, the Argentines had given the British side an opportunity to slow down the negotiating process. They were successfully kept in play until the autumn of 1978, with exchanges through the diplomatic channel about maritime zones, continental shelves and Southern Thule. Meanwhile, Argentina's increasingly activist stand on fishing rights and the public revelation in Britain of the presence of the Argentine station on Southern Thule were unsettling factors.
2. Following agreement between the two Foreign Ministers (at New York in September), to resume negotiations, a round of talks was held in Geneva in December 1978 with the FCO Minister of State, Mr Rowlands, at the head of the British delegation. A draft Scientific Co-operation Agreement was successfully negotiated which went some way towards removing the sovereignty implications of the Argentine presence on Thule. At a further round of talks held at official level in New York in March 1979 the British side had to inform the Argentines however that in the light of adverse Islander reaction to the draft Scientific Co-operation Agreement, it was not possible for Britain to sign it. The Argentines were deeply disappointed both at this development and at Britain's continued robust rejection of their sovereignty claim. But they accepted that substantive talks would be ruled out until after the forthcoming General Election in May 1979.
3. Throughout the period, the Falkland Islanders were kept closely informed of developments and it was made clear to them that no proposals for a solution would be put to Parliament which did not have their full support.

## THE FALKLAND ISLANDS DISPUTE: DEVELOPMENTS FROM MARCH 1978 - MAY 1979

1. Following the meeting of the two Working Groups in Lima from 15-17 February, 1978, negotiations with the Argentines remained in abeyance for six months. Responsibility for the impasse lay firmly with the Argentines. It was for them to resolve the problem they had created for the negotiations by excluding maritime zones from the scope of the Working Group study on sovereignty. The British side welcomed this prospect of slowing down the negotiating process and of avoiding for a time discussion of substantive issues, particularly over sovereignty.

Stalemate (March-September 1978)

2. During the spring and summer of 1978 a number of exchanges took place through diplomatic channels over the legal complications relating to the status and definition of the maritime zones/continental shelves around the Falkland Islands and Dependencies. One aim of these exchanges was to demonstrate Britain's willingness to continue talking. More importantly, it was essential to ensure that the Argentines were left in no doubt as to the British position regarding the legal status of the maritime zones and their place within the framework of negotiations. Against this background, Britain continued to protest vigorously about the illegal presence of the Argentine scientific station on Southern Thule (discovered by HMS Endurance in December 1976) and the increase in Argentine naval and air patrolling activities in the vicinity of the Islands and Dependencies.

3. In early April, the Argentine Foreign Ministry initiated attempts to secure British agreement to a further round of negotiations. The Argentines argued that the question of whether or not the continental shelf should be included within the scope of the negotiations was a purely political one, to be left for a decision by ministers and recommended that a range of subjects, including sovereignty and economic co-operation, could usefully be discussed by the Working Groups irrespective of differing views over the continental shelf. An Argentine aide memoire handed to HM Ambassador thus proposed a further meeting of the Working Groups at official level in Geneva at the end of April, followed by a ministerial meeting in June, to discuss 'points of disagreement' as well as 'positive measures'. In his reply, the Ambassador expressed disappointment that the Argentine position on the continental shelf at the Lima talks had prevented discussion of constructive proposals which the British delegation had had in mind. Nevertheless, he agreed to refer the approach to ministers.

4. Ministers concluded that no decision on the level and timing of further meetings could be taken until the Argentine position was clarified. The Ambassador was therefore instructed on 20 April to inform the Argentines that (a) their position on maritime zones remained a significant obstacle to progress; (b) the British government were fully satisfied that contrary to the Argentine assertion the Falkland Islands and Dependencies generated maritime zones under international law; (c) the zones should form an integral part of the negotiations on political relations,

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including sovereignty; and (d) the British side had understood that agreement had not been reached in Lima to defer the maritime zone question to a future plenary meeting, leaving Working Groups to carry on their detailed studies meanwhile. The Argentine reply of 5 May indicated that they had never agreed, as claimed by the British, that the sovereignty dispute extended to maritime zones. Nevertheless they were ready to tackle the problem 'in a spirit of open negotiation and good faith', through diplomatic channels.

5. During April, two minor but positive signs of goodwill emerged: the Argentine state airline announced an increase in the number of flights between the mainland and the Falkland Islands from once to twice a week and HMS Endurance arrived in Buenos Aires on 15 April to begin a goodwill visit. By contrast, the Argentine representative intervened on 10 April at the 63rd ECOSOC meeting at the United Nations to reassert Argentina's claim to the Islands, describing British sovereignty there as 'illegal occupation, in contravention of UN principles and public opinion', and requesting that all future United Nations documents should contain a footnote drawing attention to the sovereignty dispute.

#### Disclosure of Argentine Station on Thule (May 1978)

6. On 7 May, the Observer newspaper published an article revealing the presence of a group of Argentines on Southern Thule, alleging that an Argentine military force had controlled the Island for over a year. Anticipating a hostile parliamentary reaction, the FC0 warned the Argentines that when commenting on the article the Argentine Government should avoid inflammatory statements in the interest of avoiding a breakdown in talks. The British Government's response was to be that they had been aware of Argentine scientific activities on Southern Thule since December 1976; that protests had immediately been made to the Argentine government pointing out that as part of the Falkland Islands Dependencies, Southern Thule was definitely British territory; and that they understood that Argentine activities there were purely scientific, in support of the wider Argentine Antarctic programme. At the same time HM Ambassador was instructed to remind the Argentine government of the history of Argentina's incursion into Southern Thule, to draw attention to Argentine assurances given to Mr Rowlands in February 1977 that the Thule station was a temporary installation and to ensure that it would not be misconstrued as an assertion of Argentine sovereignty. The Ambassador also asked the Argentine authorities for an urgent reply to the suggestion put forward by the British side in Lima that scientific activities in the area should be conducted on a bilateral basis similar to the multilateral basis on which such activities were conducted under the Antarctic Treaty i.e: without sovereignty implications. Similar points were also conveyed to the Argentine Foreign Minister in a personal letter from Dr Owen. As a result, the Argentine Foreign Ministry gave an assurance that the scientific nature of their activities on Southern Thule would be given prominence over sovereignty considerations and that the British suggestion regarding the development of a basis for future scientific activities would receive attention. However, on 10 May, the official Argentine

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press agency reported that the Foreign Ministry had "energetically rejected a British protest and declared Southern Thule ... an inseparable part of the Argentine territory". This was followed by the Argentine Foreign Minister's statement of 15 May that Southern Thule was subject to Argentine sovereignty.

7. Hostile parliamentary reaction to the disclosure was partially defused by a statement by the Prime Minister on 9 May. However, Mr Rowlands was able to reassure the House of Commons that the Government were pursuing the question of Southern Thule, following further verification of Argentine activity on the island. On the question of why there had been no action to end the occupation, Mr Rowlands rejected suggestions that Britain should break off diplomatic relations with Buenos Aires or take 'physical action' to remove the Argentine station from Southern Thule.

8. In the Falkland Islands, there was severe criticism of Her Majesty's Government's failure to inform them previously about the Thule occupation. This led Islanders to suspect that information on other matters was being withheld. Islander concern was eventually expressed in a letter from a leading councillor (Adrian Monk) to the Governor in which he criticised the apparent acquiescence by the FCO in the Argentine presence: "The fact that the islands are unoccupied by us permanently has got nothing to do with the rights and wrongs of the matter. A lot of islands around the Falklands are unoccupied permanently. Whether the Argentines are military or civilian is immaterial. They are squatters in our house". Mr Rowlands attempted to allay Islander suspicions in his message of 23 May to the Island Councillors, emphasising that military measures for removing the Argentines had to be eschewed ('the result of these would have been incalculable and scarcely need elaborating on') in favour of diplomatic approaches to the Argentine authorities. He went on to say that the British Government (a) had protested about the occupation, thereby promptly and effectively protecting Britain's legal position on sovereignty; and (b) was making efforts in confidential exchanges between the two governments to resolve the matter of illegal and unauthorised activities on British sovereign territory, with the overall objective of protecting the peaceful development of the islands and ensuring a secure future for all Falkland Islanders.

9. The 'Malvinas Day' celebrations in Argentina on 10 June were in a noticeably higher key than in 1977. The occasion was given prominence in the press and was marked by the participation of most of the leading figures in the Argentine government, possibly indicating Argentine impatience with their failure to make measurable progress in the sovereignty dispute. A number of statements by e.g. President Videla and Admiral Massera, hinted that Argentina's patience was not inexhaustible and that other measures might, if necessary, be contemplated.

#### Argentine Assertion of Fishing Rights

10. In the latter half of 1978, difficulties with Argentina and third countries over fishing in the vicinity of the Falklands and Dependencies began to cast an additional unsettling shadow over Britain's relations with Argentina. It had been clear for  
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some months that the scale of fishing activity in the South West Atlantic was increasing with Russian, Polish, German, Japanese and Spanish trawlers in evidence. In mid-June the Argentine Minister for Maritime Interests indicated that some sort of joint venture agreements might eventually be reached between Argentina and e.g. the Russians and Poles whereby Argentina would permit them to fish on seas regarded by Britain as falling under British sovereignty. These trends obviously had implications for Britain's theoretical and practical positions on sovereignty. Most importantly, there was a danger that British interests would lose ground to third parties who were likely to pursue their commercial interests in a way which the Argentines would be able to interpret as acknowledging Argentine pretensions to sovereignty over the Falkland Islands and Dependencies and their maritime zones.

11. An example of Argentina's growing activism on maritime matters was the arrest on 13 May by an Argentine naval destroyer of at least one Polish trawler (the 'Otol') which had been fishing some 60 miles north east of the Falklands. In addition there were a number of reports that 10 foreign fishing vessels had recently received similar treatment from the Argentine Navy. There may have been many other unreported incidents. The incident involving the 'Otol' did not in the event constitute a violation of the territorial sea of the Falklands since it occurred well beyond the Islands' three-mile limit. Nevertheless, Britain warned Argentina that since the area being fished was regarded internationally as high seas Britain could not accept the implication that Argentina had a right to exercise jurisdiction in an area which was well outside her own 200-mile fishing limits and to which she could lay claim only on the basis of her claim to sovereignty over the Falkland Islands and Dependencies. The position in 1978, as at present, was that, in common with its policy towards all its dependent territories, Britain continued to keep under review the possibility of declaring a 200-mile fishing zone around the Islands and Dependencies, and reserved the right to do this in the legitimate exercise of its sovereignty over those territories.

#### The run-up to the Geneva talks

12. On 14 August the Argentine Foreign Ministry handed the Embassy a bout de papier stating that Argentina was prepared to consider the British proposal for a bilateral arrangement covering scientific activities in the Dependencies and their maritime zones. It was envisaged that these activities would be carried out by either party without prejudice to their respective positions on sovereignty. The paper noted that the British proposal was not intended to 'distract attention' from the Falkland Islands (i.e. towards South Georgia and the South Sandwich Islands) and called for another round of talks consisting of a plenary session at official level, followed by a ministerial meeting.

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13. Following a call at the FCO on 22 August, the Argentine Chargé d'Affaires adduced that Her Majesty's Government was seriously considering extending Falkland Islands maritime jurisdiction to 200 miles. The Foreign Ministry immediately instructed its delegation at the UN to protest to the Secretary General. The FCO responded quickly to this by informing the Foreign Ministry that no decision on extending maritime jurisdiction had been taken and that in any case the FCO would wish to discuss a number of options with the Argentine Government before doing so. The Head of the Malvinas Department in the Argentine Foreign Ministry received the message with some relief, stressing that Argentina's aim at the UN was not to provoke controversy but merely to keep the Committee of 24 informed of the matter. The Argentine UN delegate had indeed sent a protest to the Secretary General but this was not wholly condemnatory: it had referred to the current bilateral talks and was optimistic about future relations. In the event, Dr Owen's message of 24 August to the Argentine Foreign Minister, Admiral Montes, convinced the Argentines to withdraw their request to intervene in the Committee of 24. Admiral Montes' reply of 29 August said that Argentina was finally prepared to discuss maritime zones under the sovereignty umbrella thus paving the way for talks with Dr Owen at the end of September in the margins of the General Assembly. In the British view the purpose of the meeting was seen as being to establish a mutually satisfactory basis for a further full round of negotiations, at which the British side would wish to resolve three outstanding issues, i.e. maritime zones, Southern Thule and Argentine naval activity around the Falklands. Dr Owen met Admiral Montes on 29 September in New York. Montes agreed that Argentina was prepared to 'discuss' maritime zones within the scope of the negotiations as well as British ideas for resolving the Southern Thule problem. At the same time, Dr Owen made it clear that there could be no substantive discussion of Falklands sovereignty before the general election in Britain. Accepting these conditions, the Argentines agreed on a resumption of negotiations, and the next round was arranged to take place in December.

Ministerial Negotiations, Geneva, 18-20 December (Third Round)

14. The British delegation was led by Mr Rowlands and the Argentine by Captain Gualter Allara, Under-Secretary of Foreign Affairs. As regards Southern Thule, the British objective was to secure an agreement under which the sovereignty implications of the Argentine station would be removed. A draft Scientific Co-operation Agreement was successfully negotiated which would in effect have regularised scientific activities in the Dependencies, using Antarctic Treaty concepts. The Argentines accepted that under such an agreement the proposed activities would have no implications for sovereignty. There were however two difficulties. First, they had envisaged that an agreement would apply to land-based operations only whereas the British side sought to apply it to maritime areas as well, since both countries had already conducted scientific work off-shore. The Argentine accepted this, but were concerned about the difficult legal problems involved in defining maritime areas. In particular, they wanted to exclude /the

the whole continental shelf. Mr Rowlands finally persuaded the Argentines to accept that the agreement would apply to "surrounding maritime areas"; such a formula would not prejudice either Argentine or British positions on delimitation. Secondly, the Argentines objected strongly to the clause tabled by the British side intended to prevent the establishment of further Argentine stations. After some discussion on the Dependencies, however, Allara was left in no doubt that, if another station were set up under cover of the proposed agreement it would seriously prejudice the whole negotiating process. Allara commented that Argentina could not give up its right in principle to set up other stations in the area, but none were planned for the time being. Furthermore, the Argentine authorities were prepared to consult Britain in the event of any future proposals to establish further stations. On the strength of this assurance, Mr Rowlands agreed to drop the limitation clause.

15. On the question of a scheme for Co-operation in and Co-Administration of the Dependencies' maritime zones, under the sovereignty umbrella, no agreed conclusions were reached. The British side saw the idea as representing the first step towards economic co-operation in the South West Atlantic while deflecting Argentine attention from the sovereignty issue. It was hoped to constitute an effective means of bringing under control the large-scale fishing activities of third countries in the waters around the Dependencies and at the same time to bring benefits to Britain, the Falkland Islanders and Argentina. Outline papers on Co-Administration were tabled by both sides. The Argentines accepted British ideas for a fishing regime, and agreed that urgent action was needed to deal with third parties. They also agreed that if a jointly administered fisheries regime were to be effective, action would have to be taken to declare a 200 mile fishing zone. The Argentines suggested that this should be done jointly - a 'joint declaration' for the 200 mile zone, linked to the powers of the organisation which would administer fishing operations; but they did not explain how they would reconcile this with their existing legislation covering the waters in question. However, they rejected the idea of a Co-Administration scheme under the sovereignty umbrella, requiring instead a transfer of sovereignty over the Dependencies themselves to Argentina as the price for Co-Administration of a fisheries zone. Moreover, they wished to exclude the Continental Shelf altogether from the arrangement. The British side firmly rejected this. Allara then went on to suggest that Argentina might consider a Co-Administration scheme under the sovereignty umbrella if it could cover the Dependencies themselves as well as the maritime zones. Mr Rowlands replied non-committally.

16. There was no substantive discussion on sovereignty. At both official and ministerial level the Argentines repeated their position of principle on sovereignty. The British side again rejected the idea that the aim of the negotiations was to transfer sovereignty to Argentina: Mr Rowlands stressed that there could be no consideration of fresh sovereignty arrangements in favour of Argentina in the Dependencies without Argentine acceptance that sovereign rights in respect of the Falkland Islanders should continue to rest with Britain.

/Consultations



Consultations with Falklands Councillors, January 1979

17. In Rio de Janeiro on 7 January Mr Rowlands met a delegation of three Falkland Islands councillors to brief them on the course and the outcome of the Geneva meeting. At the time the Councillors raised no objections to the Southern Thule scheme although they were obviously concerned that the draft Agreement on Scientific Co-operation might be viewed as authorising the pursuance of non-scientific activities in the area by Argentina. Mr Rowlands worked hard to persuade them that the Agreement was in their own interests: it placed Argentine scientific activities under the sovereignty umbrella and was a step forward in Anglo-Argentine co-operation in the area which could have fruitful results for the Islanders themselves. There was also discussion about participation by Island Councillors in further talks with the Argentines. Mr Rowlands indicated that the Councillors had probably been wise not to participate to date but that participation was a matter for them to decide. They would wish to consider, in view of the practical and substantive nature of the issues involved, possible representation at the next meeting planned for March.

18. When the Councillors reported back to their colleagues in Port Stanley, however, the Falkland Councillors as a whole decided that they could not accept the Scientific Co-operation scheme. Their impression was that unless the scheme applied only to Southern Thule, the Argentines would, in effect, be given a status elsewhere in the Dependencies. They viewed it as the beginning of a process of concession which would lead to the eventual loss of British sovereignty over the Falklands themselves.

New York Meeting, 21-23 March 1979 (fourth round)

19. A fourth round of talks was held at official level (Mr Hall, AUS, FCO and Sr Oliveri López, Head of Malvinas Department, Argentine Foreign Ministry) on 21-23 March. The talks were low-key and cordial. No progress was made on any issues of substance. The British side explained why it was not possible to go ahead with the signature of the Scientific Co-operation Agreement, stressing the Falkland Islanders' suspicion of Argentine motives. The Argentine delegation were deeply disappointed that it was not possible to make progress with this instance of positive Anglo-Argentine co-operation. They refused to consider any changes to the text but agreed that the draft agreement should be left lying on the table and that both Britain and Argentina should, in consultation with each other, conduct scientific activities "in the spirit of the draft". The Argentines repeated ministerial assurances provided in Geneva that Argentina had no plans to set up further scientific stations in the Dependencies: there would be "no repetition of Southern Thule". The discussion of the Agreement affected the talks as a whole and although there was subsequent lengthy discussion about fisheries co-operation, progress was limited. The Argentines continued to insist that any agreement should include not only maritime areas but should be extended to the land areas of the Dependencies and affect sovereignty. The British side again rejected this, arguing that any co-operation scheme must be under the sovereignty umbrella.

20. On sovereignty, there were inconclusive exchanges based on the British replies to two questionnaires handed over by the Argentines at the Geneva talks in December. The Argentines once again insisted that a solution must include concessions on sovereignty over the Falkland Islands. The British side repeated that the Argentines were wrong in thinking that the aim of the negotiations was to work out new sovereignty arrangements in favour of Argentina in the Islands and Dependencies: the best solution would be for Argentina to give up its claim, that the people of the Islands should continue to have the right to choose for themselves, that sovereign rights should lie with Britain and that the Islanders' institutions, laws, and way of life should develop within that framework. But the British side emphasised that Britain was still willing to negotiate in accordance with the terms of reference, particularly in order to find ways to develop the resources of the area for the benefit of those who lived there.

21. No commitment was made in New York on the timing of a further meeting. Mr Hall indicated that it might however be possible to call a meeting of officials in June or July. The Argentine side clearly wanted a meeting between Mr Rowlands and the Argentine Deputy Foreign Minister, Comodoro Cavandoli in the near future and welcomed the idea of a possible meeting in September between the Secretary of State and the Argentine Foreign Minister at the United Nations. Whilst they were clearly disappointed at the outcome of the talks and were taken aback by the strength of the British rejection of their position on sovereignty, later described as "an unfortunate step backwards", they appeared unlikely to take any unilateral action which could lead to a complete breakdown of negotiations. Despite the failure to make any progress, the Argentines were willing to accept the political difficulty for the British side of the impending General Election and that little substantive progress would be made before the autumn of 1979.

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9. Anglo-Argentine Press Communiqué of 23 March 1979 following New York talks

Chronological Summary: February 1978 - May 19791978

- 15-17 February First meeting of the two Working Groups, agreed in New York, in Lima. Little progress made.
- 7 April Argentine Aide Memoire proposes further meeting of Working Groups at end of month, to be followed by Ministerial meeting in June.
- 7 April Argentine airline doubles flights to Islands from mainland.
- 15 April HMS Endurance arrives in Buenos Aires on a goodwill visit.
- 7 May The Observer newspaper publishes a story concerning the Argentine scientific station on Southern Thule and its implications for the Falkland Islands dispute.
- 9 May Prime Minister makes statement on Southern Thule.
- 22 May In message to Island Councillors, Mr Rowlands reiterates HMG's commitment to resolve matter of unauthorised activities.
- 10 June Malvinas Day. Various senior officials reiterate Argentina's claim to the Islands.
- 17-28 July Special Consultative meeting of the Antarctic Treaty States in Buenos Aires.
- 14 August Argentine bout de papier agrees to consider bilateral arrangement covering scientific activities.
- 23 August The Argentine delegation to the UN protests to the Secretary-General at the prospect of a British decision to extend maritime zones around the Falkland Islands.
- 29 September Admiral Montes meets Dr Owen in New York at the UN General Assembly. They announce that a further round of talks will be held in December.
- 23 November Manoeuvres are held in various regions of the country in preparation for possible hostilities with Chile.
- 24 November Argentine Foreign Ministry accepts Chile's offer for a meeting between their Foreign Ministers to discuss Beagle Channel dispute.

/18-20 December

- 18-20 December Anglo-Argentine talks in Geneva led by Mr Rowlands and Captain Allara. Draft Scientific Co-operation Agreement agreed in principle to cover illegal Argentine presence on Southern Thule.
- 26 December Cardinal Samore, emissary from Vatican, arrives to seek Argentine and Chilean agreement to terms of reference for mediation by Pope in Beagle Channel dispute.
- 1979
- 3 January Demonstrations held in various Argentine towns and cities on anniversary of British occupation of Islands.
- 7 January Mr Rowlands meets a delegation of Island Councillors in Rio to brief them on Geneva talks. On return to Port Stanley Councillors oppose the draft Scientific Co-operation Agreement.
- 8 January Foreign Ministers of Chile and Argentina meet in Montevideo. They sign a document formally requesting the Pope to mediate in Beagle dispute.
- 24 January Pope announces acceptance of the request.
- 21-23 March Round of Anglo-Argentine talks held in New York at official level. No progress made.
- 1 May Inauguration of the new airport in the Falklands.
- 3 May New Conservative administration takes office in UK.

Outline text of Argentine Aide Memoire of 7 April 1978

1. The following were the themes listed in the Argentine Aide Memoire for discussion by the Working Groups:

" (A) Sovereignty Group.

1. Detailed discussion of the questions posed by the British side concerning the proposals on joint administration and safeguards submitted by Argentina, and replies thereto.
2. Discussion of any suggestions the British side can make on the question of the transfer of sovereignty over the Malvinas.
3. Explore the form and modalities of the "new sovereignty arrangements in favour of Argentina" for the uninhabited territories as proposed by Great Britain in New York.
4. Discussion of all aspects concerning the Islanders.
5. Exchange of views on the question of security in the region.
6. Problems relating to communications.

(B) Economic Co-operation Group.

1. Detailed discussion of the working document submitted by the Argentine side in Lima, particularly those questions which the British side promised that London would consider.
2. Detailed discussion of Argentine proposals concerning economic development in the Malvinas territory.
3. Creation of an enterprise in the form of a stock company with Argentine, British and Island capital, which could undertake the production, processing and marketing of the Islanders' produce, and could also purchase the FIC block of shares.
4. Undertake the exploration of oil resources in the area.
5. Discussion of forms of joint exploitation of hydrocarbons, and exchange of views on the system to be applied for the granting of oil exploration and exploitation licences.
6. Discussion of the ways in which fish resources in the area could be exploited.
7. Make progress in the question of fisheries protection in area from action by third countries.
8. Participation of the UK in other sectors of the Argentine economy. "

British Protest about Southern Thule, May 1978

1. You should inform the Argentine authorities as soon as possible that, in answer to press enquiries here, we have taken the following line:

We have known about Argentine scientific activities on Southern Thule in the South Sandwich Islands since December 1976. As soon as we heard of these activities we protested to the Argentine government, pointing out that Southern Thule, as part of the Falkland Islands' Dependencies, was British territory. The Argentine activities there are purely scientific and we understand that the Argentines view them as being in support of their Antarctic programme - a programme in which we co-operate with them in the Antarctic area generally.

2. In speaking to the Argentines you should make the following points:

(A) The British government did not choose to give publicity to the Argentine station on Thule, though we have now had to put our position on the record publicly.

(B) We are anxious that in responding to the Observer article both sides should avoid statements that might aggravate the situation, escalate discord and possibly result in a breakdown of the current series of talks about the future of the Falklands and their Dependencies. Such an outcome would help no-one and would undo months of patient work.

(C) It is not the British government's present intention to volunteer any statement, but the Argentine government will understand that there may now be further parliamentary and public interest here to which the British government will need to respond. In doing so, we shall bear in mind the above point.

3. At the same time as making these points you should remind the Argentine government of the whole history of their incursion into Southern Thule, including the assurances which were given to Mr Rowlands in February 1977 that the Argentine station would be temporary and that it would not be presented as an assertion of Argentine sovereignty. You should go on to say that the latest publicity emphasises the need for an urgent reply to the suggestions put forward by Mr Hall in Lima in February this year, to the effect that scientific activities in this area should be declared to be conducted on a bilateral basis similar to the multilateral basis on which such activities were conducted under the Antarctic Treaty: ie without sovereignty implications. Ambassador Medina Munoz described this suggestion as imaginative and deserving careful study, but we have not as yet received any further response from the Argentine government. In the light of the latest developments we are asking them for an urgent reply, which could be placed into the context of Antarctic co-operation, and independent of the wider issues involved in the negotiations.

Message from Minister of State to Falkland Island  
Councillors of 23 May 1978

I would like to tell you myself about the background to some of the answers we have given in Parliament about the Argentine activities on Southern Thule - which although not widely commented on at the time, were first mentioned in the press and on the radio 18 months ago - and to try to put these events in their proper perspective.

When we first discovered the Argentine presence at the end of 1976, we immediately took this up with them. We had every reason to believe that their presence on the island would be short-lived and when we knew that they had departed at the end of the season we thought that our representations had had their effect. We remembered that in 1954/55/56 the Argentines had also made landings on this island and the British government at the time had handled the matter in the same way as we had done: the problem had proved short-lived. When they told us the station had been reinstalled at the end of 1977 we had to think again.

There were two ways we could react to what they had done. Firstly, we could have considered military measures. The results of these would have been incalculable and scarcely need elaborating on.

Secondly, we could have used the diplomatic method again, which - to be effective - entails doing things privately without publicity. But this does not mean that by choosing this method we were acting half-heartedly.

In fact, we have taken two complementary sorts of diplomatic action. First we have again protested and by so doing have promptly and effectively protected our legal position on sovereignty. The fact that the Argentines have now formally rejected our protest is hardly surprising and does not invalidate the action we have taken. Our position is secured: the lawyers are sure about this.

Secondly, we are making every effort in confidential exchanges between the British and Argentine governments to resolve the matter. It is not, after all, the scientific activities themselves to which we object. What we cannot tolerate is that they should carry on these activities on our soil without our permission. Dr Owen is pressing the Argentine Foreign Minister very hard on this and you may be sure that we shall not let matters rest. I shall keep you closely informed of their response and any developments.

Our real main concern in trying to handle this issue and resolve it by diplomatic and political means is that we should protect the most important objective of all, the peaceful development of the islands and a secure future for all Falkland Islanders. If we had over reacted and sought a public confrontation the chances of achieving this might have been seriously damaged.

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For I have to confess that in recent months my main preoccupation has been to keep up momentum on local development schemes. I know you will be as delighted as I am with the news that the final go-ahead has now been given for the Stanley/Darwin road and that construction should begin later this year. On the school hostel, you will know that we are now in the final stages of considering the various tenders submitted. Ted Pike is discussing at the moment the various outstanding technical details which both FIG and ODM are agreed need to be sorted out before a final decision is taken. We hope that construction can begin in September. We are also now busy studying the further and detailed case which the Governor has sent us about the purchase of a land-based aircraft for FIGAS. I want to assure you that everyone concerned here is pushing ahead on this as quickly as possible. Finally, you will know that the ODM are recruiting a Development Officer, a Fiscal Officer and a qualified engineer as Director of the Public Works Department. They are also busy looking for a mechanical and building superintendent to enable you to cope with the construction of the road and the hostel. These new posts will, I believe, give you the much-needed support which further development of the islands' infrastructure and administration will require. I am sure that it is in these positive directions that the best way ahead lies.

With best wishes to you all,

Ted Rowlands

Argentine Bout de Papier of 11 August 1978:  
Proposed Scientific Co-operation Agreement

The Argentine Government have studied carefully the bout de papier received from the British Embassy on 20 July in which the British Government proposed a bilateral arrangement covering scientific activities in the Islands of South Georgia and South Sandwich.

They note the British intention that the proposal is not intended to distract attention from the Falkland Islands and towards the Georgias and Sandwich Islands, and that it would not prejudice future arrangements on sovereignty.

Realizing that the geographical range of application of the proposed arrangement forms part of the terms of reference of the negotiations agreed by the two parties in April 1977, the Argentine Government agrees to consider the British proposal in the scope of the negotiations, and to that end believes that the theme of scientific co-operation in the Georgias and South Sandwich Islands could be included in the agenda for the next meeting. This agenda would have to include all the aspects which, in conformity with the terms of reference, form part of the negotiations.

With the aim of ensuring a more complete and adequate treatment of the different themes which comprise the negotiations, including the British proposal, the plenary meeting at political level of the next round (with Minister Rowlands and Sub-Secretary Allara) should be preceded by two or three days of preparatory consultations at technical level.

British Press Release 29 September 1978:  
Talks between Dr Owen and Admiral Montes

The British Foreign and Commonwealth Secretary, Dr David Owen MP, and the Argentine Foreign Minister, Admiral Oscar Montes, who are both attending the UN General Assembly, met this morning in New York. They conducted a general exchange of views on various issues of current international concern. They also took this opportunity to review Anglo-Argentine relations, including the negotiations on the Falkland Islands dispute. They agreed that the next round of negotiations should be held in December 1978 and that this should include a day of discussions between the Minister of State of the Foreign and Commonwealth Office, Mr Ted Rowlands MP, and Captain Gualter Allara, the Argentine Under-Secretary for Foreign Relations.

Draft Agreement Governing Scientific Co-operation between  
the British and Argentine Governments in the Falkland Islands  
Dependencies (December 1978)

HM CHARGÉ D'AFFAIRES AI TO THE ARGENTINE FOREIGN MINISTER

Your Excellency,

1. With reference to recent discussions between our Governments concerning the Falkland Islands' Dependencies, I have the honour to propose an Agreement covering scientific research activities, carried out by the two Governments in the Dependencies of the Falkland Islands.

I

The provisions of the present Agreement shall apply to South Georgia, the Clerke Rocks\*, Shag Rocks\* and the South Sandwich Islands and to surrounding maritime areas.

II

For the scientific research activities covered by this agreement the use of military personnel or equipment shall not be excluded.

III

1. In order to promote scientific research activities in the Area to which this Agreement applies, each Party shall, upon its entry into effect, inform the other of the scientific research activities being carried out within the area on the part of its ships or nationals in accordance with the schedule attached to this Agreement. Thereafter, this information shall be exchanged annually by 30 November each year.
2. To the greatest extent that is feasible:
  - a) scientific personnel may be exchanged between expeditions and stations of the parties in the Area:
  - b) scientific observations and results from the Area shall be exchanged and made freely available between the Parties.

13.

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\*Argentines to check nomenclature

3. Scientific research activity by a Party which is likely to have a lasting or harmful effect on the environment within the Area to which this Agreement applies or which, if undertaken within the territory of either Party would, on environmental grounds, require permission shall be undertaken only with the consent of both Parties.

IV

1. In order to promote the objectives and ensure the observance of the provisions of the present Agreement, each Party shall have the right to designate observers to carry out any inspection provided for by the present Article. Observers shall be nationals of the Party which designates them. The names of observers shall be communicated to the other Party, and like notice shall be given of the termination of their appointment.

2. Each observer designated in accordance with the provisions of paragraph 1 of this Article shall have complete freedom of access at any time to any or all parts of the Area to which this Agreement applies.

3. All stations, installations and equipment, and all scientific research vessels and aircraft in the Area, whose activities are the subject of this Agreement, shall be open at all times to inspection by any observers designated in accordance with paragraph 1 of this Article.

V

1. Nothing contained in the present Agreement shall be interpreted as:

- a) a renunciation by either Party of any right of territorial sovereignty over the Area to which this Agreement applies; or
- b) a recognition or support for the other Government's position with regard to territorial sovereignty in the Area.

2. No scientific research activities taking place while the present Agreement is in force shall constitute a basis for asserting, supporting or denying the position of either Party with regard to territorial sovereignty in the Area.

3. Nothing in this Agreement shall prejudice any subsequent arrangements which might be made as part of a definitive settlement of the dispute between the Parties concerning the Falkland Islands, South Georgia and the South Sandwich Islands.

IV

Any dispute arising between the Parties concerning the interpretations or applications of the present Agreement shall be the subject of consultation between them through diplomatic channels.

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If the foregoing proposals are acceptable to the Government of Argentina, I have the honour to propose that this Note and Your Excellency's reply to that effect shall constitute an Agreement between our two Governments which shall enter into force immediately and shall remain in force unless denounced by either Party giving nine months' notice of its intention to the other.

THE ARGENTINE FOREIGN MINISTER TO HM CHARGE' D'AFFAIRES AI

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of \_\_\_\_\_ which reads in translation into the Spanish language as follows:

(Here follows translated text of I-VI)

In reply, I confirm that the contents of Your Excellency's Note are acceptable to the Government of Argentina who therefore agree that your Note and this reply constitute an Agreement between our two Governments.

I avail etc.

EMBARGOED UNTIL 2100 HOURS GMT  
20 DECEMBER, 1978

Text of Press Communiqué agreed by British and Argentine  
Delegations for issue at end of Negotiating Round in  
Geneva, 20 December 1978

In accordance with the announcement made simultaneously by Argentine and British Governments on 15 December, 1978 delegations representing the two countries met in Geneva from 18-20 December, 1978 in order to conduct a third round of negotiations on the Falkland Islands, South Georgia and the South Sandwich Islands in accordance with the terms of reference for these negotiations announced on 26 April, 1977. The two delegations were led respectively by Captain D Gualter Oscar Allara, Under Secretary for Foreign Relations of the Republic of Argentina and by Mr Ted Rowlands MP, Minister of State at the Foreign and Commonwealth Office.

The discussions between the two delegations were conducted in a positive spirit and reviewed all the issues with which the negotiations are concerned. The delegations have reached agreement in principle on the outline of a scheme for cooperation in their scientific research activities in the Falkland Island dependencies.

They agreed to carry on consideration of the various issues before they have a meeting in early 1979. The venue, date and level of this meeting will be settled through diplomatic channels.

Text of Joint Press Communique issued at end of Anglo/Argentine  
Negotiating Round in New York: 21/23 March, 1979

In accordance with the announcement made simultaneously by British and Argentine Governments on 16 March 1979, delegations representing the two countries met in New York from 21/23 March 1979 in order to conduct a fourth round of negotiations on the Falkland Islands, South Georgia and the South Sandwich Islands in accordance with the terms of reference for these negotiations announced on 26 April 1977. The two delegations were led respectively by Mr George Hall, Assistant Under Secretary of State at the Foreign and Commonwealth Office, and by Sr Oliveri López, Head of the Antarctic and Falklands department at the Argentine Ministry of Foreign Affairs.

There was a wide exchange of views and the two delegations discussed the main issues with which the negotiations are concerned.

The date, place and level of a further meeting were left to be discussed through the diplomatic channel.





Foreign and Commonwealth Office

London SW1A 2AH

13 August 1982

A R Rawsthorne Esq  
Falkland Islands Review Committee  
Old Admiralty Building  
Room 194  
Whitehall

*Sean Long*

FALKLAND ISLANDS REVIEW

You will recall that we have been preparing two additional Research Department memoranda taking the history of the Falklands dispute from March 1978 to May 1979, and from mid-1979 to April 1982. These have now been completed and I enclose 8 copies of each.

I am copying this letter to David Colvin in the Cabinet Office.

*Yours  
ever  
Robin.*

P R Fearn