

Sunday
Daily Mail
31st July 1983

**Falklands'
sheep
will help
you shine**

■ CHAMOIS leathers from the Falklands are now on sale at Halfords shops. First ever from Falkland Islands sheep, they cost £1.99 each.

If they are anti, then I am pro

Sunday Telegraph 31.7.1983

At the beginning of the Falklands crisis I was by no means certain whether or not it made sense for Britain to go to war to recover the islands, and would have remained sceptical had not Mr Anthony Wedgwood Benn, and other opponents of any use of force, at least by the West, come out so strongly against the despatch of the fleet. And Navy's long journey south my doubts surfaced, nothing allayed them more quickly than one of Mr Foot's many inane speeches advocating negotiation. In other words, it was the line-up opposing the war which did much more to convince me of its desirability than anything said in its favour.

No, this was not an irrational or prejudiced way of making up one's mind, since very often doing the wrong thing for the right reasons does make more sense than doing the right thing for the wrong reasons. The right reasons for not going to war over the Falklands were all practical ones to do with *Realpolitik*—cost, distance, strategic irrelevance and so on. But these were not the reasons given by Mr Benn and Mr Foot. Their motives for opposing the war were moralistic, part of a general reluctance to approve of any vigorous defence of the national interest.

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If the Isle of Man were invaded, Mr Foot would want to refer the matter to the United Nations rather than fight, just as he would prefer to see a UN peace-keeping force in Ulster rather than the SAS. Any exercise of armed power sends him and his like into paroxysms of anguish, unless it be by the Soviet Union or in support of revolution.

Unfortunately, if Britain had not decided to fight for the Falklands, it would have seemed to have been for those wrong reasons—a victory for national decadence and international appeasement, and once opposition to the war had been presented by the Left in its terms, no right-minded patriot could have any further doubt about its inevitability. Letting *betwixt* Carter win might have made some sense. But letting pacific Mr Foot win was too much to stomach. The same help us make up our minds about the wisdom or otherwise of the United States's armed intervention in Central America.

As I wrote last week, a good practical case can be made for non-intervention. But listening last week to Mr Foot, aided by Mr Dennis Skinner, speaking forth all the Left-wing propaganda against American imperialism, etc, I became more and more convinced that the sooner President Reagan sends in the Marines the better. For whatever ill effects such intervention may cause, nothing would be as dangerous as allowing such rubbishy Left-wing arguments — "nothing is ever settled by force"—to seem to have triumphed.

Mr Andropov is very lucky in this respect. When he decided, for sound reasons of *Realpolitik*, not to send the Red Army into Poland, there was no likelihood of his motives being misunderstood. But how different it would have been if there had existed in the Soviet Union a powerful moralistic lobby—a counterpart to the anti-Vietnam lobby in the US — opposing intervention on the grounds, say, that the Soviet Union must never again get bogged down in another Afghanistan. In those circumstances, he probably would have long ago felt compelled to intervene, for fear of seeming to have lost his nerve.

Left to his own devices, President Reagan, too, might well decide that non-interven-

Ideally, of course, statesmen should be strong enough to do what makes sense on the strict practical merits of each case, regardless of the psychological shadows cast. For my own part, I must confess to finding this almost impossible to do. Left to my own devices, for example, I would not have felt very strongly about the restoration of capital punishment, the practical objections to which are certainly very considerable. What turned me into a convinced pro-hanger were the wholly untenable moral arguments being propounded by the abolitionists and the stench of hypocrisy emanating from the likes of Roy Hattersley. Better restore the rope, I concluded, not so much to deter murderers as to break the spell of perniciously false doctrines about what the State is permitted to do in its own defence.

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By Peregrine Worsthorne

In Central America served the national interest of the United States better than intervention. But once let the anti-militarist — "nothing is ever settled by force" — lobby start monopolising the act, and restraint will become much more difficult, since then it is bound to give an impression of weakness. "No more Vietnam!" — that is the one cry which President Reagan must not seem to heed, because if he does, no shred of United States credibility as a protective power would long remain intact.

To be fair, the point I am trying to make applies just as much to the emotionalism of the reactionary Right as of the progressive Left. If the sensible Right finds itself compelled sometimes to support imprudent wars so as to deny the foolish Left its propaganda victories, so does the sensible Left find itself sometimes opposing prudent wars so as to deny the foolish Right its equivalent satisfactions. For example, I have several progressive friends who started by supporting the Falklands war, only to be turned against it by the jingoistic excesses of the *Sun* newspaper, rather as I started by opposing it, only to be turned in favour by the pacifist excesses of Michael Foot.

If not going to war can lend credence to dangerous Left-wing illusions about the inefficacy of force, so can going to war encourage a comparably undesirable Right-wing trigger-happiness. On that reckoning some progressive Americans, who might otherwise support sending the Marines into Central America, could well come down against the idea so as to avoid releasing excessive war hysteria which they fear as much as I fear the peace hysteria that would be triumphant if the Marines were not sent in.

If the hanging debate had been conducted in a pragmatic spirit, I should have opposed restoration, just as I would have opposed the Falklands war had not that issue, too, been made an issue of principle, as is happening now with Central America. Conceivably President Reagan would be foolish and imprudent to attempt there a military solution. But such a course would not, repeat not, be immoral. And in arguing that it would be, the Left almost compels him to take the very risks which it wants to prevent, if only to vindicate his right to do so.

One moral stance breeds another. Because the Left inveighs indignantly against imperialism in all circumstances, the Right finds itself refusing to admit that it is ever inappropriate. To the Left's injunction, "You must never use force," comes the Right's no less unbending mirror-image reply, "You must always." The most imprisoning prejudices, I find, are not one's own, but those one adopts, as a kind of protective armour, in self-defence against other peoples. If the Left did not exist I should be so very much more reasonable, as also, doubtless, would President Reagan.

Mr Chiu, modest hero

FOR a shy hero of the blazing hell at Bluff Cove the praise was all but overwhelming.

A year after the Sir Galahad was bombed in the Falklands Chiu Yiu Nam, a deck-hand from Hongkong, again met men of the Prince of Wales' Own Company, seven of whom he rescued from the burning ship.

Mr Chiu, who came to Britain to receive the George Medal from the Queen, slipped away from a reception at the Hongkong High Commission for a reunion with the Welsh Guards at St. James's Palace.



Their hero . . . Chiu Yiu Nam with Welsh Guards

Picture : MONTY FRESCO





DAILY TELEGRAPH

July 29, 1983

Year's reprieve for Gibraltar dockyard

By DESMOND WETTERN *Naval Correspondent*

THE Navy's dockyard at Gibraltar, which was to have closed by the end of this year as part of the 1981 defence cuts, has been reprieved for a year and its transition to a commercial ship repair yard will take place on Jan. 1, 1985.

Mr Ian Stewart, the Under-Secretary for Defence Procurement, told Parliament on Wednesday that the delay followed discussions with the Gibraltar government.

Britain would give £28 million to cover the cost of the changeover, and any losses that might be sustained initially, on the condition that there were assurances from the labour force over the implementation of new working practices.

In addition, during the first three years after the formation of the Gibraltar Ship Repair Co. £14 million would be allowed for the refitting of tankers, stores and landing ships of the Royal Fleet Auxiliary, and a further £300,000 to £1 million a year for refitting other Ministry-owned ships.

The flow of funds from Britain after the initial grant

would depend on the maintenance of new working practices, but the British Government would also release certain Defence Ministry land on the Rock for developing the new yard and to aid tourism.

Mr Stewart gave an assurance that the Government would, if there were any future difficulties for Gibraltar's economy, look at the whole position, particularly since the border issue with Spain still posed great problems.

SIGNAL FROM SPAIN

Call for Howe talks

OUR MADRID CORRESPONDENT writes: The British Ambassador to Madrid, Sir Richard Parsons, was requested yesterday to signal Whitehall that Spain was hoping for a bilateral meeting with Sir Geoffrey Howe, Foreign Secretary, to discuss a political solution to the Gibraltar dispute.

Sir Geoffrey and his Spanish counterpart, Senor Fernando Moran, are due to meet in Madrid in September while attending the closing ceremony of the 35-nation European Co-operation and Security Conference.

No Central American call for military aid

BRITAIN has had no request for military help in Central America, the PRIME MINISTER said yesterday during Commons questions.

Replying to claims from the Opposition Leader, Mr FOOT that any failure by her to uphold the rights of the Nicaraguans would make her "guilty of hypocrisy and of encouraging aggression," Mrs THATCHER said Nicaragua had the right to choose its own Government.

"This is exactly what the United States was trying to secure in El Salvador," she added.

Pope's experience

Mr FOOT said that while the people of Belize had to be protected against unfair aggression, the people of Nicaragua had the same rights as did the Falkland Islanders.

"Should not the British

Government be seeking to uphold the Charter of the United Nations in Central America as throughout the world?" asked Mr Foot.

Mrs THATCHER replied: "I don't know who he suggests should go to Nicaragua to protect the people there, but I have no shadow of doubt that he and many other people saw what happened when the Pope went to Nicaragua and tried to demonstrate his right to free speech and freedom to preach."

When asked again by Mr FOOT to prevent aggression in Central America through the United Nations, Mrs THATCHER added: "The British Government will try to secure self-determination and will uphold efforts to try to secure democracy throughout Central America."

Later, the Leader of the Commons, Mr BIFFEN, said he would consider calls from Mr Foot for a statement today from the Foreign Secretary on the Central American crisis.

FALKLAND FISHERIES

By Our Political Staff

A number of companies have expressed an interest in exploitation of the fisheries around the Falklands and South Georgia. Mr Ray Whitney, Under Secretary at the Foreign Office, said in a Commons written answer yesterday.

He added: "These approaches are under consideration by the Falkland Islands Government and ourselves."

150 Argentines

sentenced

About 150 members of the Argentine security forces have been tried and sentenced by military tribunals for "excesses" committed during the 1970s "dirty war" against subversion, according to Gen. Reston, the Interior Minister.

He refused to release the exact number of security personnel currently held in military jails. He also gave no details on the "excesses" carried out.



GUARDIAN

July 28, 1983

More props for the Rock

Yesterday's Government announcement of the final arrangements for winding up naval dockyard facilities at Gibraltar raises a whole complex of disturbing issues which do not appear to have been thought through in London. We shall limit ourselves to mentioning five of them. The £28 million conscience money to compensate for the loss of at least 1,000 jobs will come from the overseas aid budget. As Britain devotes just 0.38 per cent of GNP (compared with the UN target of 0.7 per cent) to what is meant to be aid to the world's poor, this seems to be a doubly shabby expedient. It is the Defence Ministry that will save £10 million a year on the deal, and it is their bloated budget that should have been tapped.

The pious hope that the dockyard facilities will be able to survive on a commercial basis, already undermined by the world

slump in shipping, may have been extinguished altogether by the Spanish decision to press ahead with the redevelopment of the neighbouring port of Algeciras. Then there is the Nato angle to consider. Gibraltar offered the alliance the only specialist naval repair facility in the western Mediterranean, particularly important for nuclear submarines. A port reduced to scraping a living from passing trade, mercantile and naval, cannot be expected to set aside expensive facilities for unpredictable emergencies, as the US Navy was among the first to appreciate.

The central issue of course is Spain's claim to sovereignty over Gibraltar, which is analogous to China's attitude on Hong Kong. On the latter question the British Government is showing signs of commendable pragmatism after Mrs Thatcher's ill-advised brusqueness in Peking last year; even if sovereignty has been put to one side to allow less ticklish issues to be explored, constructive talks are in progress. In theory we have 14 years to sort out Hong Kong before the lease expires. If in 1986 Spain is to become a full member of the EEC (the fifth element in our complex Gibraltar-related issues), we may have less than two and a half years to settle the future of the Rock.

Earlier this month, the Spanish foreign minister, Mr Moran, made the unanswerable point that it would hardly be beneficial for the EEC to have one member maintaining a colony on the territory of another. Mrs Thatcher however chose to answer this last week by saying that Spain could hardly expect to be admitted to the EEC until she lifted all the remaining restrictions on her border with Gibraltar. This was inevitably read in Madrid as a threat to veto Spanish accession. We have argued here before that it is in Spain's best interest to woo the still desperately pro-British Gibraltarians by making the border irrelevant. In a perfect world, Spain would join the EEC and activate her dormant membership of Nato, Britain would cede sovereignty, the Spanish Navy would move into Gibraltar, the Rock's economy would emerge from quarantine and its inhabitants would jump for joy. Meanwhile it is high time that the 1980 Lisbon Agreement on lifting all restrictions in exchange for unconditional talks was put into effect. It would be a good start if Sir Geoffrey Howe arranged this with Mr Moran on the fringe of the final round of the Madrid security conference in September.

GUARDIAN

July 28, 1983

'Action' on lost people

From Jeremy Morgan
in Buenos Aires
ARGENTINA'S military
regime said it had taken
action against officers for
crimes during the "dirty
war" against its opponents in
the 1970s.

The Interior Minister,
General Liamil Reston,
claimed that about 200 mem-
bers of the armed forces and
security services, including
civilians, were held at Caseros
prison in the capital.

They were detained and
tried by civil justice for
"having committed excesses
during the anti-subversive
struggle," he reportedly told
members of a tiny and until
now virtually unknown politi-
cal grouping, Democratic
Concentration.

The statement was seen as
a shift in tactics by the
regime, which is seeking
civilian support for an am-
nesty absolving officers for
offences in the "dirty war,"
when at least 6,000 to 15,000
people disappeared.

Until now, the regime has
taken the unapologetic line
that its officers' actions were
"acts of service" to defend
the country against Marxist-
inspired attack.

It has also argued that its
officers are subject to military,
rather than civilian justice,
a claim that appears to have
been undermined by General
Reston's statement.

The minister hinted that
the regime might make the
proposed amnesty law at some
stage in August. Uncon-
firmed reports earlier sug-
gested that the ruling mili-
tary Junta, made up of the
heads of all three armed
forces, had decided on the
first half of next month. The
Junta is also said to have
decided that the so-called
Law of Pacification should
apply from May, 1973, when
the last elected Peronist
Government took power, until
July last year, when the
Bignone Government assumed
office.

Chairman says interest in islands 'a matter for pride'

Coalite backed over operations in Falklands

By Paul Keel

Coalite shareholders yester-
days gave their backing for the
conduct of the company's ope-
rations in the Falklands, where
it enjoys a virtual monopoly
control over the islands' econ-
omy.

The Falkland Islands Com-
pany, a subsidiary of the Bol-
sover-based solid fuel group,
has attracted widespread and
hostile attention since the
South Atlantic conflict last
year.

It has been criticised for re-
garding the development of the
island's economy, and for trad-
ing with Argentine troops dur-
ing their occupation.

But at yesterday's annual
general meeting of the Coalite
Group, at the Savoy Hotel,
London, the group's chairman,
Mr Ted Needham said that the
interest they had shown in the
islanders, and the cooperation
which the company was giving
the British Government, were
matters for pride.

Dr Frank Hansford-Miller, a
shareholder and chairman of
the Save England Crusade—
which organises St George's
day celebrations—was shouted
down by other shareholders
when he suggested that as the
Falklands operations amounted
to only 2 per cent of Coalite's
activities, it would be better if
they were sold off.

The sale, he implied, would
enable the islanders to develop
their sheep-based economy in a
way which the company had
restricted.

But Mr Needham said he did
not believe that the islanders
would have any criticisms to
voice. Any development of the
Falklands economy required a
substantial British-based con-
nection; that was what Coalite
had, and would continue to
provide.

Mr Needham revealed that
Coalite was negotiating a
partnership with a foreign
company to exploit fishing
around the islands. But after
yesterday's meeting he would
not say which company or
nation might be involved in
the venture.

Coalite's profits last year
were up 14.8 per cent before
tax on the previous year, from
£23.86 million to £27.34 mil-
lion. The company accounts do
not show an identifiable pro-
portion from its Falklands
activities, but under the sec-
tion dealing with activities
other than its main solid fuel
operations, a profit of £2,125 is
shown.

The Falklands Islands Com-
pany owns almost half the land
in the islands, and more than
half of the 600,000 sheep. It
dominates retail and communi-
cation activities in the Falk-
lands.



DAILY TELEGRAPH

July 28, 1983

COALITE GROUP

“Enterprise breeds on confidence in the future. The General Election result has quenched political anxieties for the duration of another parliamentary term and the process of restoring the country’s competitive ability on the basis of sound money and productive jobs can continue. It was clear at the outset that the process of reversal and recovery would be painful and slow but we now have the awaited signs of business improvement and it is to be hoped the momentum will be sustained.

During the recession, our resources have been progressively consolidated to provide a sound basis from which our various activities can take full advantage of the gradual recovery now coming into view.”

Ted Needham, Chairman

(From Chairman’s Statement)

	1983	1982
GROUP RESULTS	£000	£000
Turnover	415,925	406,869
Profit before tax	27,340	23,861
Tax	11,637	8,210
Dividends	4,343	3,896
Earnings per share	18.26p	18.20p

The main activities of the group comprise solid smokeless fuel manufacture, oil and chemicals’ processing, fuel distribution, vehicle building and distribution, transport, warehousing and shipping services, builders’ merchanting, instrument manufacture, and sheep farming in the Falkland Islands.



DAILY TELEGRAPH

July 28, 1983

Forged Thatcher tape 'work of KGB'

By DAVID SHEARS in Washington

SOVIET KGB "disinformation" specialists are suspected by the State Department of concocting perhaps their crudest effort yet—a purported tape recording of a non-existent telephone talk between Mrs Thatcher and President Reagan.

The tape and its false written "transcript" surfaced just before the British General Election in an evident attempt to discredit Mrs Thatcher.

They were sent to two leading Dutch newspapers with an even more tendentious anonymous letter urging publication—and the hope that the tale would then be published in Britain.

The newspapers—NRC HANDELSBLAD and DE TELEGRAAF—became suspicious and tipped off the American Embassy in The Hague. Now the State Department's experts in exposing planted Russian forgeries have been able to analyse the material in detail.

Ringing tone

It reflects no credit on its authors. While the tape carries the true voices of Mrs Thatcher and Mr Reagan, evidently spliced together from their speeches, their words are almost drowned by the insistent "beep-beep" of a typical British telephone ringing tone.

This disguises the fact that the words on the tape bear very little relation to the transcript that the unknown purveyors helpfully provided—in Dutch.

The alleged telephone conversation is supposed to have occurred during the Falklands war.

Mr Reagan is quoted in the written transcript as telling Mrs Thatcher to "control yourself . . . because otherwise the area (presumably Latin America) is going to hell." But no such words can be deciphered on the tape.

The accompanying letter, described by State Department analysts as "bearing the fingerprint of the KGB" by virtue of its style and anonymous nature, departs even further from the actual tape.

Also written in Dutch, it says that the Reagan-Thatcher telephone talk confirmed suspicions that the Argentine cruiser General Belgrano "probably was torpedoed at the personal command of Thatcher when it was outside the war zone and moving away from there."

One barb of innuendo in the covering letter was the suggestion that Mrs Thatcher had "protected the monarchy" by failing to warn the destroyer Sheffield of the Exocet missiles which sank her, while the carrier Invincible with Prince Andrew on board had been able to fend off the missiles.



THE TIMES - PHS DIARY

July 28, 1983

Out of touch

The Falkland Islands have been cut off. No, not in the south Atlantic but right here in London where the Falkland Islands Office finds itself without telephone and Telex after moving from Great Smith Street to Tufton Street. "Incommunicado" was the plaintive word from a callbox. Their plight could last some time. A firm of solicitors in Covent Garden, Thomas M. Barth, has been trying to contact British Telecom's North Central Area Sales Office by telephone for two weeks. Every time the phone rang unanswerd. Finally they sent a Telex explaining they wanted to buy some equipment and had been ringing without success for a fortnight. The response was: "Do you have a reference for us?"



THE GUARDIAN

July 27, 1983

Companies give an extra 7 pc to charities

By Margaret Dibben

The 200 companies most generous to charity last year increased their donations by 7 per cent in real terms. Even though profits and the number of employees fell, they gave more than £31 million.

The Guardian and Manchester Evening News slipped from first place in 1981 to fourth last year for donating the largest amount as a percentage of profit. The group is placed 190th among the top 200 corporate donors.

These statistics are compiled by Charities Aid Foundation (CAF) in the fifth annual survey of charity statistics, some being extracted for the first time.

Private individuals donated £310 million to charity in 1980, the largest contribution to charitable statistics are available.

According to occupation, teachers are by far the most generous. They gave 51.9p a week per household in 1980. Next come professional and administrative workers who gave 32.1p.

The largest corporate donors are the banks and oil companies. Barclays Bank came top of the list, followed by BP, Marks & Spencer, National Westminster Bank and Shell UK.

One explanation of the increase in company giving despite economic decline could be the Falklands conflict. The South Atlantic Fund, estab-

lished in May 1982, attracted more than £14 million in the following 12 months, although this has not been broken down between companies and individuals.

Central and local government contributed nearly £128 million to charities in 1981-82, nearly 18 per cent of the total income. But this was spread among less than half of the charities in a foundation sample of 200, which took nearly a third of its income from the Government.

Support from the Government is unevenly divided. Social welfare received 70 per cent and, within this slice, the physically handicapped received 44 per cent; families and children 38 per cent; the mentally handicapped 3 per cent; and the elderly 1 per cent.

Figures in the report suggest that the pattern of charitable giving is changing. In 1975, 28 per cent of charities' income came from fund raising and donations, but this fell to 13 per cent by 1980. Grants from statutory bodies have become more important.

The wealthiest charity is the National Trust which had a total income of £31 million in 1982, £15 million of which came from donations. Two cancer research programmes, the Cancer Research Campaign and the Imperial Cancer Research Fund, received the next largest sums of voluntary income.

DAILY TELEGRAPH

July 27, 1983

BBC seeks to gauge levels of bias

By ROBIN STRINGER Television Correspondent

EMPLOYERS are reluctant to appear in the television studio with trade unionists because they fear they will be less articulate, according to Mr Alan Protheroe, the BBC's assistant director-general.

This is just one of the problems facing the BBC in its search for impartiality and balance which Mr Protheroe outlines in a paper for the corporation's General Advisory Council called "Holding the balance in current affairs programmes".

Recognising the need to have a better understanding of the public's perception of bias, the BBC is now attempting to measure that perception in its coverage of three key issues—unemployment, the police, and membership of the European Community.

The survey is being done by the corporation's Broadcasting Research Department and is due to be completed by September.

"Accusations of bias", says Mr Protheroe, "emanate from right across the social and political spectrum, but can be loosely grouped into three categories".

'Scatter-shot'

First and foremost are the academic sociologists in the growth area of "media studies" and most prominent among these is the Glasgow Media Group whose "evidence purports to show that television is biased against the political Left, the trade union movement and the working class in general."

Second are politically-oriented groupings interested in spreading their views, and

third is "the constant scatter-shot from individuals who feel that since they have paid their licence fee, the editorial policy of the BBC should be more closely aligned to their views."

Mr Protheroe goes on to identify other problems facing the BBC in its search for balance. "The complexity and timescale of industrial decisions makes coverage difficult, and access to the decision-making process has not been gained in this area as it has been by some producers to— for example — the Navy, the police, public and comprehensive schools and social services."

At times of national anxiety, as during the hunger strikes in Northern Ireland in 1981 and during the Falklands war, the BBC becomes a conduit for that unease.

"In each case it became clear that an extremely vocal (but very small) section of the audience sought reassuring chauvinism rather than dispassionate examination and reportage."

Mr Protheroe admits to only one bias within the BBC and it is one he regrets. "There is undoubtedly a bias in favour of the poised and articulate."

Lack of a good broadcasting manner is still common, he says, and provides the producer with a fairly strong incentive not to use a poor performer a second time. It eliminates some individuals whom editors would very much like to use.



THE GUARDIAN

26 July 1983

Britain resumes Hong Kong negotiations with Chinese

Peking: China and Britain yesterday resumed secret negotiations on the future of Hong Kong after a two week break but there was no indication of what progress, if any, was made.

The two delegations, led by the vice-foreign minister, Mr Yao Guang, and the British ambassador to Peking, Sir Percy Cradock, met for three hours at a secluded government guest house in Peking's old legation quarter. Mr Yao hosted a banquet last night for the British delegation, which included the Hong Kong Governor, Sir Edward Youde.

Officials on both sides said that a second session would be held this morning. The Governor is due to fly home tomorrow.

China has said that it intends to regain sovereignty over the colony, most of which is held by Britain under a 99-year lease expiring in 1997.

The two Governments announced last year that they were beginning talks "with the common aim of maintaining the prosperity and stability of Hong Kong."

Although the first phase of contacts at diplomatic level was shrouded in secrecy, diplomatic sources said that the talks became bogged down on the issue of sovereignty over Hong Kong Island and Kowloon, which were ceded to Britain in perpetuity by the crumbling Manchu empire in the 19th century.

China considers the Hong Kong treaties as unequal and therefore invalid, and claims sovereignty over the entire territory.

A second phase of the more detailed discussions began in Peking on July 12, again behind closed doors.

There was no official comment after the initial two-day contacts, except for a joint statement describing them as useful and constructive.

But informed Hong Kong sources in Peking said that the two sides had agreed to set aside the sensitive sovereignty question and discuss "technical issues" over the future administration of the territory.

The Peking meetings are being watched closely in Hong Kong itself, where the continu-

ing uncertainty over the colony's future has depressed property values and battered local stock exchanges and the Hong Kong dollar.

A measure of the interest there was the presence of 40 Hong Kong journalists at the start of yesterday's session, although on past experience they can expect very little in the way of hard news.

After a period of serious jitters earlier this summer when the Hong Kong dollar sank to a record 7.73 against the US dollar, the currency recently rallied to stand on Friday at 8.16. It dropped to 7.20 in late Hong Kong trading yesterday after the talks resumed.

There has been no indication of how many more rounds, if any, will be held in the present phase of the negotiations.

But diplomats here said that both Mr Yao and Sir Percy had travel plans in August, and did not rule out the possibility of a pause in the negotiations to enable the two sides to take stock of results so far.—Reuter.



DAILY TELEGRAPH

July 26, 1983

MoD AXE WAS HONED ALREADY

By Maj-Gen.
EDWARD FURSDON
Defence Correspondent

THE new ring of knives being sharpened to slice the defence budget even further has not taken the Defence Ministry by surprise.

Indeed, when faced with a £230 million cut within 24 hours of announcing its White Paper expenditure figure for 1983-84 of £15,973 million, the studies then initiated wisely anticipated such further politically pre-emptive action.

Mr Michael Heseltine's difficult task as Defence Secretary is to see how he can absorb any further financial demands without yielding on the minimum baseline requirements of published Government defence policy, or threatening the necessary Service morale, manpower and equipment needed to implement it.

Men and equipment

The various Service requirements differ widely: in brief, the Army is a large Service which equips the man, whereas the Navy and the RAF are small Services which man the equipment.

Defence equipment in total takes up 46 per cent. of the defence budget, whereas Forces pay and allowances take up only 19 per cent.

The room to manoeuvre, however, is already very constrained within current policy commitments of Nato support, preservation of the home base, maintenance of overseas garrisons, and the long time-lead necessary to bring new equipment into service.

The most likely candidate area therefore for renewed detailed scrutiny for savings lies in Mr Heseltine's special expert area of "delivering value for money" by introducing more streamlined, accountable and effective management and organisation within his own Ministry and its many establishments.

Even today, Whitehall sources admit there is room for further tough squeezing action within the three Services and the Civil Service, which, without endangering operational efficiency, could yield considerable savings.

Privatisation study

It is understood that attention will be given, for instance, to seeing if some non-warlike supply and support services—including Works Services—could not be more efficiently and more cheaply done by privatisation. The Procurement Executive and the Defence Industries could co-operate more, with advantage and economy.

To cut British forces in Europe would of course save money, especially in the support and social infrastructure fields. But such action would not only breach the amended Brussels Treaty of 1954, but strike at the core and *raison d'être* of today's British Army and the RAF. It would also wound—possibly mortally—the heart of Nato, and raise enormous barrack accommodation and training area problems back at home.

Belize shadow

Major British forces are currently stationed in Belize, Falklands, Cyprus and Hongkong—and in smaller packets in such places as Gibraltar and Brunel. Each of these, funded from the Defence budget, has a deep political and foreign policy dimension rather than solely a military one.



THE TIMES

July 27, 1983

Falklands offensive by junta at UN

From Andrew Thompson, Buenos Aires

Argentine Foreign Ministry officials are preparing a new diplomatic offensive over the Falkland Islands, focused on the next meeting of the United Nations General Assembly, due in September.

They hope to repeat and possibly harden last year's UN resolution, which called on Britain and Argentina to enter peaceful negotiations on sovereignty.

Señor Javier Pérez de Cuéllar, the UN Secretary-General, sent Notes to both governments last week asking them to set out their positions in the light of last year's resolution. The officials said that Argentina would reply in the next few days.

Señor Juan Aguirre Lanari, the Foreign Minister, was due back yesterday from Caracas, where he attended celebrations to mark the bicentenary of the birth of Simon Bolivar.

During his stay in Venezuela, he commented that last year's resolution "has not yielded fruit", but added: "We are committed, with the support of our brother Latin American countries, and the favourable

vote of other members of the international community, to arrive at a negotiated solution to this dispute over sovereignty".

Admiral Ruben Franco, the Argentine Navy commander, who was also in Caracas for the Bolivar bicentenary, said: "Let no one doubt that we will return to the Malvinas (Falklands). There is now no room in America, or in the world, for usurpation and colonialism".

As part of its strategy, the Argentine Foreign Ministry is inviting representatives of the opposition political parties to attend the next UN General Assembly.

Last year, the vote on the resolution was taken in early November. If this timetable is repeated, the vote this year will come after Argentina's general election, which due on October 30.

The intention is to show that the Argentine Government's position is shared by victors at the polls. The Foreign Ministry hopes that representatives of the two main parties, the Peronists and the radicals, will be present at the UN.

Disc-jockey for the Falklands



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She goes to Port Stanley as a Foreign Office secretary, but one of her duties will be to present a radio request show. Miss Thackstone, of Devon Road, Salcombe, in Devon, said: "It sounds like a lot of fun."

Fortress Falklands

From Colonel Jonathan Alford

Sir, In his letter (July 21) Sir Miles Clifford presses for the Falkland islands to be turned into a Nato base. There is no such animal! There are national naval bases and there are national naval bases leased wholly or in part for use by other national navies - as with the Holy Loch or Suda Bay. Even if one could find a satisfactory formula to create a 'Nato base' and flying the Nato flag, there are not many who would wish to see Nato's shrinking naval assets spread even more thinly than they are now.

It must be a question of priorities and I for one could not advocate the despatch of significant numbers of British ships permanently into the

South Atlantic for the purpose of attempting to control those waters unless we had - which seems extremely unlikely - a lot more ships.

Finally it has to be said, given the concern expressed by our Allies at the current (and, it is to be hoped, temporary) diversion of our limited assets to the South Atlantic, that such a proposal would not find any support in Nato Brussels. We cannot unilaterally modify the Nato Treaty and conveniently omit its 'N' even if we believe it right to do so.

Yours sincerely,
JONATHAN ALFORD,
Deputy Director,
The International Institute for
Strategic Studies,
23 Tavistock Street, WC2.
July 22.

MCMILLAN
SCOTT
ASSOCIATES

THE TIMES

July 27, 1983

**moreover...
Miles Kington****Cornered
in foreign
fields**

I have just heard a report on the radio about the pitched battle between 50 Iraqis who were collecting money for the Iraqi war effort and 50 other Iraqis who objected strenuously to what the first 50 were doing. The radio didn't explain the ideological differences; the important thing about the whole affair was that it took place in Cardiff.

At first I took this to be proof that not even the Iraqis are immune to the Welsh tradition of fighting among themselves. Then it occurred to me that it might be the beginning of the silly season. But, because it comes hard on the heels of another report to the effect that Armenians have been blowing up Turkish offices in Paris, I finally realized that here we have a glimmering of what might be the most hopeful development in international politics for many a year.

This sort of violence is not, on the face of it, openly hopeful. Claims that *homo sapiens* is the most advanced form of life on the planet do not go well with reports that people are blowing each other up, or collecting money for that purpose. The hopefulness lies in the fact that all these encounters took place on neutral territory. Whatever the peace movement says, war will always be with us, but the least we can do is try to ensure that when war comes it takes place somewhere else.

That is why the Falklands war was such a breakthrough. Although it was a full-blooded military encounter between two medium-sized powers, the homeland of neither side was ever threatened. Argentine bombs did not fall on Coventry; there was no blackout in Buenos Aires. The whole thing took place in and around the cold, windy, nearly uninhabited, nearly unwanted islands in the middle of nowhere. It was the most neutral fixture since the British faced the Germans away from home in the deserts of North Africa.

The post-mortem on the war has unfortunately been diverted from this aspect and people are still arguing about the General Belgrano, the control of the media and the control of Max Hastings. It is about time we got down to the big question, namely: when are we going to start hiring out the Falkland Islands for other people to fight their wars in?

The advantages are obvious and endless. One of the main criticisms of war has always been that the innocent bystander suffers, and that his property is either destroyed or taken over by the military; opinions differ on which is the worse fate. There is very little that can be damaged on the Falkland Islands, and even fewer bystanders than on a Sunday evening in South Wales. Again, most wars lead to an occupation of one country by another, with consequent disruption to the postal services, tourist industry and cartography - there is nothing a map-maker hates more than going to press with a country marked the wrong colour.

Above all such an arrangement would be a moneyspinner for Britain. All those millions of pounds we are spending on the place could be recouped if we leased parts of the islands for international wars. Short-term leases, preferably; as landlords, we could specify that a war must be terminated within the year. To put it in Mrs Thatcher's terms, the Falklands must be privatized and made to make money.

The war between Iraq and Iran, which has been dragging on indecisively for years, could easily be transferred there for a start and fought to a finish within an agreed time span, just as cricket has made the painless transition from five-day draws to one-day results. Wars which have not yet started could be booked ahead; Peru has been looking for a return match with Chile for a hundred years now, while I believe that Chile has always been itching to have a small set-to with Argentina. Where better than the Falklands? And could not Mrs Thatcher bring her influence to bear on Mr Reagan to stage his Central American caper in the Falklands Islands?

I offer this idea free to the British Government, subject of course to the usual royalties, consultancy fees, etc.



High honour: The husband and wife acting team of Michael Denison and Dulcie Gray, and a Chinese seaman who rescued eight fellow crewmen from a burning fleet auxiliary in the Falklands war were among those who

received the insignia of their awards from the Queen at Buckingham Palace yesterday.

Mr and Mrs Denison had been appointed CBE. Chiu Yiu Nam, aged 34, who speaks no English, had flown

with his mother from Hongkong to receive the George Medal for his action in the Sir Galahad after she was hit at Fitzroy Bay. Forty-eight men died in the Argentine attack on the ship.

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Yours sincerely,
JONATHAN ALFORD,
 Deputy Director,
 The International Institute for
 Strategic Studies,
 23 Tavistock Street, WC2.
 July 22.

with compliments

July 1983



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Pewter Developments

A collection of 12 authentic scale replicas of British steam locomotives, and a scale model of the Royal Air Force "Harrier" jet aeroplane, most recently involved in the Falklands conflict, are the latest modern pewter promotions being mounted by The Danbury Mint of Chessington, Surrey. The hand-cast pewter replicas are being offered on subscription with the Danbury Mint reserving the right to close the subscription rolls at any time.

Billiton's pewter manufacturing subsidiary in the Netherlands, Eerste Nederlandse Witmetaalfabriek of Naarden, is to establish a 100%-owned Federal German subsidiary in Nuremberg to intensify their marketing activities with the aim of enlarging their share in the German pewter industry, which is heavily concentrated in southern Germany.

Reproduction pewterware from the collection in the Metropolitan Museum of Art in New York is now being offered for sale at the museum shop in London's Victoria & Albert Museum.

R. F. Homer, retired director of the Science Technology Transfer Division of the British Technology Group, has been awarded a grant by the Leverhulme Trust to carry out a study of provincial British pewterers and pewtering in the 15th to 19th centuries.



Sir Rex Hunt (left), Civil Commissioner of the Falkland Islands, and Lady Hunt being presented with special commemorative pewter tankards by Tony Stroud, managing director of Englefields (London), at the Pewterers' Hall, London in June. The tankard has been cast and engraved to mark the 150th anniversary of British sovereignty of the islands. Sir Rex promised to fill his tankard with Penguin Ale on his return to the Falklands. A presentation in the form of a pewter paperweight was also made to Ms Sukey Cameron of the Falkland Islands Government Office.

D. Telegraph 29/7/83

FALKLAND FISHERIES

By Our Political Staff

A number of companies have expressed an interest in exploitation of the fisheries around the Falklands and South Georgia. Mr Ray Whitney, Under Secretary at the Foreign Office, said in a Commons written answer yesterday.

He added: "These approaches are under consideration by the Falkland Islands Government and ourselves."

Times D. Telegraph 23/7/83

SHOUTING MATCH AT FALKLAND COMPANY ANNUAL MEETING

By RICHARD NORTHEGE City Staff

THE Coalite group's annual meeting degenerated into a shouting match yesterday when some shareholders called on the group to sell its Falklands subsidiary so that someone else could develop the area.

The dissenting shareholders, led by Dr Frank Hansford-Miller, formerly leader of the English National party and now chairing the Save England Crusade, claimed that Coalite is not interested in the islands' development.

The Falklands Island Company, formed in the last century to own farming land and operate Port Stanley's trading facilities, was taken over by the Derbyshire-based group in 1977.

The subsidiary contributes only a tiny fraction of Coalite's £416 million annual sales, but Mr Charles Needham, chairman, told the shareholders in London that since the invasion a lot of time and effort had been devoted to Island affairs and it was still occupying about 50 per cent. of his time.

'Mean a great deal'

Dr Hansford-Miller, 66, with 146 shares, commented: "The Falkland Islands may be very small in relation to this country but they mean a great deal to us when we think of the loss of life and valour of our troops out there."

He wanted to sell off the company "so that people can devote 100 per cent. of their time to develop the vast resources there."

Later Dr Hansford-Miller and his two supporters tried to shout Mr Needham who then asked the other 100 shareholders present: "How many of you think we've done a bad job?" "None" was the clear reply.

Mystery financier

Mr Needham revealed that on two occasions a mystery financier, using a Paris merchant bank, had sought to buy the Falklands company. The financier, he added, was negotiating on behalf of Argentine interests hoping to take over the islands by the back door.

The chairman rejected past criticism that his company charged exorbitant rents to billet troops and had traded with the Argentines during last year's occupation.

He said the Argentines broke into a warehouse and took wool to line their trenches. At that time they thought they were there to stay and did agree to pay for the wool in pesos.

These were eventually handed to the Government, converted into sterling "and taken away from the claim which the company made."

D. Telegraph 28/7/83

ATTACK ON FIRMS

Replacing homes

Allegations by a Falklands councillor that two British firms, involved in reconstruction work on the islands, were a "disgrace and a shambles" have been vigorously denied by the companies.

Mr William Luxton, who was deported from the Falklands last year by the occupying forces because of his well-known anti-Argentine views, was referring to the work being undertaken by James Brewster Associates and Fairclough International.

Mr Luxton, who was speaking on the BBC programme "Calling the Falklands" which was broadcast from London, suggested that the firms "look at the work being carried out by the Royal Engineers to see how it should be done."

James Brewster Associates were awarded a £4,200,000 contract by the Crown Agents to build 54 prefabricated timber-framed houses by the end of the year. So far, 23 are ready. Fairclough International were awarded a £517,000 contract to undertake road repairs.

'Construction News' 28/7/83

Delay threat to new Falklands airport

Construction News

July/Aug
1983

WITH mobilisation now under-way for the Laing/Mowlem/ARC joint venture £215 million contract to construct the new airport in the Falkland Islands, delays are already threatening the project.

CN understands that although the joint venture said it was planning to start construction work at the beginning of October site possession has now been delayed until November 1.

However, few details have been disclosed as to the construction timetable and a spokesman for the joint venture was unable to comment on November 1 as a starting date.

The consortium is being tightlipped on the project. However, the recruitment office in Surbiton is believed to be facing a deluge of applications for work.

Current priorities are said to be with the selection of staff for advance parties and these are most likely to contain top management and staff from the three firms.

Should the start date slip to November this would mean two months slippage on what has been acknowledged as a very tight timetable — work was originally planned to have started in September for comple-

tion of one runway by 1985.

● One part of the project for which details have been released is the contractor's camp, which is to be built by Wyseplan. This will include 40, 18-man operatives' blocks, eight blocks for junior executives, seven 8-man senior executive blocks, two management villas and 10 family villas. Further orders are likely to be placed for accommodation with Wyseplan expected to be a keen contender.

Three firms are understood to be bidding to supply site services — Grandmet Site Services, Kelvin Catering (Camps) and Spinneys (1948).

Out of touch

The Falkland Islands have been cut off. No, not in the south Atlantic but right here in London where the Falkland Islands Office finds itself without telephone and Telex after moving from Great Smith Street to Tufon Street. "Incommunicado" was the plaintive word from a callbox. Their plight could last some time. A firm of solicitors in Covent Garden, Thomas M. Barth, has been trying to contact British Telecom's North Central Area Sales Office by telephone for two weeks. Every time the phone rang unanswered. Finally they sent a Telex explaining they wanted to buy some equipment and had been ringing without success for a fortnight. The response was: "Do you have a reference for us?"

TIMES

28 July 1983

COALITE GROUP

"Enterprise breeds on confidence in the future. The General Election result has quenched political anxieties for the duration of another parliamentary term and the process of restoring the country's competitive ability on the basis of sound money and productive jobs can continue. It was clear at the outset that the process of reversal and recovery would be painful and slow but we now have the awaited signs of business improvement and it is to be hoped the momentum will be sustained.

During the recession, our resources have been progressively consolidated to provide a sound basis from which our various activities can take full advantage of the gradual recovery now coming into view."

Ted Needham, Chairman

(From Chairman's Statement)

	1983	1982
	£000	£000
GROUP RESULTS		
Turnover	415,925	406,869
Profit before tax	27,340	23,861
Tax	11,637	8,210
Dividends	4,343	3,896
Earnings per share	18.26p	18.20p

The main activities of the group comprise solid smokeless fuel manufacture, oil and chemicals' processing, fuel distribution, vehicle building and distribution, transport, warehousing and shipping services, builders' merchanting, instrument manufacture, and sheep farming in the Falkland Islands.

'Guardian' 28/7/83

Chile free to borrow

By Peter Rodgers,
Financial Correspondent

Chile was yesterday signing up \$1.3 billion in new bank loans following the International Monetary Fund's agreement late on Wednesday to a revised economic package.

The IMF formally agreed a waiver of previously-agreed economic targets which Chile had failed to meet, a move which unblocks a \$535 million loan programme agreed in January. This is very similar to the Brazilian case, in which the IMF has held up a loan programme because of failure to keep to agreed economic targets.

It has taken nearly the three months since Chile came to an outline agreement with the IMF to finalise the deal. The timescale for Brazil to formally sign up with the IMF following agreement in principle earlier this month is likely to be similar. The deal may not go through until October.

Under the new arrangement, which gives Chile until September to get back on target, banks will lend \$1.3 billion, \$3.4 billion of debts falling due in 1983 and 1984 will be rescheduled, and \$1.2 billion of short-term trade credits will be maintained. The signing, by a dozen lead banks, was in New York.

The IMF move clears the way for Chile to draw two more instalments of its fund loan, totalling \$128 million. The IMF also approved a loan of \$310 million, available immediately, under a programme to assist countries suffering a decline in exports.

Meanwhile, plans for Argentina to sign a \$1.5 billion loan agreement with banks — including British ones — next week, have been postponed yet again by technical problems. But Argentina is now earning foreign exchange so successfully that the pressure to complete has lessened.

● Poland's Western creditor nations meet in Paris today amid increasing signs that agreement can be reached to restart talks on easing Poland's huge debt burden. There are indications that the US, the strongest opponent of restarting talks, may be willing to relent, opening the way for further meetings

Did Mrs Thatcher torpedo more than the Belgrano?

WRITING in the *Spectator* on 11 June, Simon Jenkins, joint author of the book *Battle for the Falklands*, declares correctly that 'a nervous twitch comes over Ministers at the mention of the sinking of the Belgrano,' and asks why are they 'so defensive, as if still holding back?'

At her election press conferences Margaret Thatcher was far from frank over Neil Kinnock's charge that when she ordered the sinking on the morning of 2 May she was aware both that the Belgrano had been ordered back to port, and of the seven-point plan agreed by President Belaunde Terry of Peru and Alexander Haig which would almost certainly have produced peace.

On the day after Kinnock's charge, instead of replying directly to questions put by reporters, she said, very emotionally, no less than three times, that the journalists present had no understanding of the stresses she was subject to at that time. Finally she reluctantly declared that she did not know of the Haig-Belaunde plan on the morning of 2 May.

Extraordinary

This is extraordinary because the Argentinian Government had told President Belaunde during the morning of 2 May that the seven-point peace plan was acceptable, and Belaunde immediately gave Haig the news. Haig and Francis Pym lunched together in Washington on 2 May and Pym told the USA press that morning: 'No further action is envisaged at the moment except to keep the exclusion zone secure.'

I find it inconceivable that the news of the Belaunde-Haig plan was not communicated to Mrs Thatcher early on 2 May. The Belgrano was not sunk until 1600 USA time (or 2000 British time) on 2 May.

If the Prime Minister did not know of the agreed plan when she gave the order to sink she must have known very soon afterwards, and there was plenty of time to cancel it and save the lives of the Belgrano crew. Or was

Richard Lamb probes a vital Falklands question that may not be properly answered for at least 30 years — but argues that it should continue to be asked until there is a satisfactory reply.

there a disgraceful lack of communication between Pym and the Prime Minister?

At her press conference on the Thursday following Kinnock's charges Mrs Thatcher would not deny that she was aware the Belgrano had been ordered back to port when she ordered the sinking, although eventually she said rather lamely she did not know of the Haig-Belaunde plan. The next morning, Friday, she continued to duck further repeated questioning and fell back on generalities.

But, finally, she could not avoid a direct question and reluctantly said she did not know the Belgrano was returning to port, while accusing the questioner of being on the side of the 'enemy'.

On Sunday, 5 June, Andrew Wilson and Arthur Gashon of *The Observer* produced irrefutable evidence that at 2007 on 1 May the Argentine Admiralty ordered the Belgrano to return to port. From 0700 on 2 May the

Belgrano was on a due westerly course and not zig-zagging as Mrs Thatcher alleged at her press conferences.

If the Prime Minister did not know on 2 May that the Belgrano was returning to port it is surprising. In the Second World War the British Admiralty intercepted all German and Italian wireless naval signals, and the British Admiralty should have known of the order to the Belgrano.

At her press conference the Prime Minister repeatedly declared (although she was never asked the question) that the Belgrano at the time of the sinking was a direct threat to the British Task Force and only six hours sailing time away. This was untrue.

At the time of the sinking she was only 100 miles away from the Argentine coast: at least 250 miles from the nearest British ship, and had been sailing away from the Task Force for many hours. This is crystal clear from the evidence quoted in the *Observer*.

The background to the decision to

sink the Belgrano was that the Service chiefs had put the Cabinet into a panic by stating that the Task Force was under-armed to meet Argentinian air and sea attacks, and the Cabinet was almost demoralised by the risks from Argentine Exocet Sea Dart missiles and two lethal German type 209 submarines. So when Sir Terence Lewin went to Chequers to ask permission to sink the Belgrano on 2 May he had already softened up his masters.

After the sinking of the Belgrano the Cabinet were horrified at the loss of life and the outcry against Britain aroused in the civilised world, and were ready for peace. Unfortunately, because of the provocative act of sinking the Belgrano, the Argentine Government withdrew from the Belaunde-Haig plan.

Peace plan

The Belaunde-Haig plan called for an immediate cease fire, a temporary neutral administration of the Falklands, recognition of the rights and preferences of the islanders and a four nation control group until there was a definitive solution on 30 April 1983. On 5 May, Margaret Thatcher told the Cabinet she was ready to agree to this plan, but by now the Argentine militants had in turn torpedoed it.

If Mrs Thatcher had done deal with Argentina on the seven-point peace plan, many lives would have been spared and several billions of pounds saved, and many young men on both sides would not have been mutilated. But the Conservative Party would probably have been irredeemably damaged. Then today, probably subject to some form of federalism, the Argentine flag would be flying over the



'Franks should have been allowed to ask: 'Was the Prime Minister aware of the promise of the Haig-Belaunde peace plan and that the Belgrano was returning to port when she ordered the sinking?'

Falklands, and the population would be living in peace instead of on a military outpost.

But the Prime Minister's unrivalled reputation for firm government would have been blown to the wind by a compromise peace, and strangely this would also have made her economic policy, with its corollary of ever higher unemployment, incredible. The sinking of the Belgrano made the continuation of the war inevitable, and with incredible luck, courage and determination, the armed forces delivered to Mrs Thatcher a victory which goes down in the annals of British warfare as almost unsurpassed.

The Opposition leaders blundered in agreeing that the Franks Report should stop with the Argentine invasion of the Falklands. Franks should have been allowed to put the question to the Prime Minister: 'Was she aware of the promise of the seven point Haig-Belaunde peace plan and that the Belgrano was returning to port when she ordered the sinking?'

It is unfair on Margaret Thatcher to suggest that she deliberately torpedoed the chance of a peace agreement to improve the electoral prospects of the Tory Party, but she should not be allowed to get away with fudging the issue.



Alexander Haig Belaunde Terry

The Prime Minister declares categorically that she will not have an enquiry into the sinking of the Belgrano. So, it will be 30 or more years before the archives disclose their secrets and the public will know with certainty whether Mr Kinnock or the Prime Minister are correct about what she knew on the morning of 2 May.

Meanwhile this question should be put continuously to Mrs Thatcher: 'If there is indisputable evidence that the Belgrano was returning to port, will you state on behalf of Britain that you regret the sinking?'

THE LAST MINUTES OF THE GENERAL BELGRANO



'Guardian' 28/7/83

WHILE WE'RE on the subject, here's an official secret which will interest the Falkland Islanders as much as the wicked Argentinians. Today the man who is likely to become the most powerful voice in Port Stanley flies out of Brize Norton for a discreet recon of the islands. If he likes the place, he will become Chief Secretary of the Falklands local government and head of the new development corporation with a salary of £30,000 a year. He is Mr David Taylor, of Booker McConnell. So now you know.

'Times' 27/7/83

Falklands offensive by junta at UN

From Andrew Thompson, Buenos Aires

Argentine Foreign Ministry officials are preparing a new diplomatic offensive over the Falkland Islands, focused on the next meeting of the United Nations General Assembly, due in September.

They hope to repeat and possibly harden last year's UN resolution, which called on Britain and Argentina to enter peaceful negotiations on sovereignty.

Señor Javier Pérez de Cuéllar, the UN Secretary-General, sent Notes to both governments last week asking them to set out their positions in the light of last year's resolution. The officials said that Argentina would reply in the next few days.

Señor Juan Aguirre Lanari, the Foreign Minister, was due back yesterday from Caracas, where he attended celebrations to mark the bicentenary of the birth of Simon Bolivar.

During his stay in Venezuela, he commented that last year's resolution "has not yielded fruit", but added: "We are committed, with the support of our brother Latin American countries, and the favourable

vote of other members of the international community, to arrive at a negotiated solution to this dispute over sovereignty".

Admiral Ruben Franco, the Argentine Navy commander, who was also in Caracas for the Bolivar bicentenary, said: "Let no one doubt that we will return to the Malvinas (Falklands). There is now no room in America, or in the world, for usurpation and colonialism".

As part of its strategy, the Argentine Foreign Ministry is inviting representatives of the opposition political parties to attend the next UN General Assembly.

Last year, the vote on the resolution was taken in early November. If this timetable is repeated, the vote this year will come after Argentina's general election, which due on October 30.

The intention is to show that the Argentine Government's position is shared by victors at the polls. The Foreign Ministry hopes that representatives of the two main parties, the Peronists and the radicals, will be present at the UN.

'Guardian' 27/7/83

Chairman says interest in islands 'a matter for pride'

Coalite backed over operations in Falklands

By Paul Keel

Coalite shareholders yesterday gave their backing for the conduct of the company's operations in the Falklands, where it enjoys a virtual monopoly control over the islands' economy.

The Falkland Islands Company, a subsidiary of the Bolsover-based solid fuel group, has attracted widespread and hostile attention since the South Atlantic conflict last year.

It has been criticised for regarding the development of the island's economy, and for trading with Argentine troops during their occupation.

But at yesterday's annual general meeting of the Coalite Group, at the Savoy Hotel, London, the group's chairman, Mr Ted Needham said that the interest they had shown in the islanders, and the cooperation which the company was giving the British Government, were matters for pride.

Dr Frank Hansford-Miller, a shareholder and chairman of the Save England Crusade—which organises St George's day celebrations—was shouted down by other shareholders when he suggested that as the Falklands operations amounted to only 2 per cent of Coalite's activities, it would be better if they were sold off.

The sale, he implied, would enable the islanders to develop their sheep-based economy in a way which the company had restricted.

But Mr Needham said he did not believe that the islanders would have any criticisms to voice. Any development of the Falklands economy required a substantial British-based connection; that was what Coalite had, and would continue to provide.

Mr Needham revealed that Coalite was negotiating a partnership with a foreign company to exploit fishing around the islands. But after yesterday's meeting he would not say which company or nation might be involved in the venture.

Coalite's profits last year were up 14.6 per cent before tax on the previous year, from £23.86 million to £27.34 million. The company accounts do not show an identifiable proportion from its Falklands activities, but under the section dealing with activities other than its main solid fuel operations, a profit of £2,125 is shown.

The Falklands Islands Company owns almost half the land in the islands, and more than half of the 600,000 sheep. It dominates retail and communication activities in the Falklands.

'Observer' 24/7/83

OBSERVER BUSIN

SUNDAY 24 JULY 1983

CITY (2)

Edited by Melynn Marckus

Hong Kong deal: Hopes rise

CRUCIAL talks to resolve the future of Hong Kong resume tomorrow in an atmosphere of growing confidence which has pushed the Hang Seng index up more than 120 points in the last month to Friday's close of 1086.90.

Local investment opinion has increasingly hardened on the belief that a satisfactory deal is

also told a recent seminar that a number of capital projects — including the new airport — would not be completed until after 1997, the year the current lease expires.

The colony's notoriously volatile stock market was quick to scent the prospect that the days of uncertainty were drawing to a close. In the improved atmosphere, the HK dollar — still weak against a strong US

counterpart — appears to have stabilised and while the real estate market remains in gross oversupply, there is reasonable buoyancy in the market for small residential units.

But while local investors have been quick to react, foreign investors have continued to wait on a signed settlement.

Even over the past few weeks, British institutional interest in the Hong Kong stock market has

been untypically low. But that can, in part at least, be blamed on the strength of the UK equity market, coupled with the relative weakness of the pound since the last cut in bank base rates.

If the British investor is to take the plunge, then it would make sense to confine attention to such institutional blue chip stocks as Swire Pacific, Hongkong & Kowloon Wharf and Hutchinson Whampoa.

Gareth David



DAILY TELEGRAPH

22 July 1983

Pledge to Hongkong is renewed

**By Maj-Gen Edward Fursdon
Defence Correspondent**

THERE is no financial or other imperative for a reduction of British defence commitments in Hongkong in the medium term, according to a Defence Ministry White Paper.

The Defence Ministry's observations follow comments in the Commons Defence Committee's report on British Forces Hongkong, published earlier this year.

The White Paper says the Government reaffirms its commitment to maintaining the stability and prosperity of Hongkong, and the Defence Secretary "welcomes the committee's observation that changes in force deployments should not be made which would cast doubt on that commitment."

Fair arrangement

Under the 1981 Defence Costs Agreement, which is "working to the satisfaction of both parties," the Hongkong Government meets 75 per cent. of the costs of the garrison. The Ministry agrees with the Commons that this arrangement "remains fair."

The Hongkong garrison includes one British and four Gurkha infantry battalions, a Gurkha Engineers' Regiment and Army Air Corps Squadron and supporting services. The Navy maintain patrol craft and a Royal Marines' Raiding Squadron and the R.A.F. maintains a squadron of Wessex helicopters.

(HMSO: "Command 898" Price £1.30)

22 July 1983

Public spending: 3

Defence bears brunt as budget rein tightens

Mr Heseltine should be entering this year's round of discussions on public expenditure, which began with yesterday's Cabinet meeting, in a cordial state of grace.

In the last financial year his department achieved a rare degree of precision in spending to within 0.2 per cent of its cash limit.

This year it is close to, but within its permitted, ceiling. It is understood to have contributed minimally to the bidding by government departments for an extra £5,000m which is so exercising the Chancellor of the Exchequer.

But states of grace do not count for much in inter-departmental wrangling over resources. Defence is one of the departments most vulnerable to any serious attempt by the Treasury to contain public spending.

At nearly £16,000m, it has the second largest departmental budget, and almost the whole of it, more than 90 per cent, is subject to cash limits. In 1982/83 the four defence votes accounted for more than a quarter of the total of all cash-limited, central government departmental votes.

In terms of financial resources defence has been handsomely treated by the Conservatives. Nevertheless, **RODNEY COWTON**, Defence Correspondent, suggests that one of the main policy objectives of Mr Michael Heseltine (right) Secretary of State for Defence, may be in jeopardy, especially if Treasury pressure to restrain spending increases.



Its vulnerability to Treasury action was demonstrated earlier this month when the application of an across-the-board formula on cash limits led to defence being required to find economies of £240m out of a total of £500m being sought from all central government departments.

The fact that the Treasury adopted a formula, which led to defence carrying virtually half the burden, may suggest that in a more general way this is one of the areas where it thinks economies can most readily be found.

There are, in any case, special reasons why the Treasury might

have tended to show as much satisfaction with their financial position as those responsible for major spending departments are ever likely to do.

By next spring the Conservatives will have been in power for five years, and on present plans those years will have seen a growth in defence spending in real terms of something like 17.4 per cent, including the Falklands, or 12.5 per cent, excluding the Falklands.

In a period of serious economic recession, and with a government anxious to reduce public expenditure as a proportion of gross national product, those figures are remarkably good, although they fall short of one of the main aims of present defence policy.

That is to achieve an annual rate of growth in real terms of 3 per cent up to 1985/86, excluding spending on the Falklands. To be on target, the growth in non-Falklands spending by next spring would have to be almost 16 per cent, not 12.5 per cent.

There is no evidence at all that the defence budget is at the moment unduly stretched or stressed. However, the past two years have seen the reemergence

of an old tendency for defence equipment prices to rise more rapidly than the general rate of inflation, and if that continues it will bring pressures on the cash limits quite apart from any direct action by the Treasury.

There are two factors which should help to contain such pressures. The first is the newly-agreed ability to carry forward at the end of the financial year any amounts which are underpent, up to a limit of £300m-£350m. That should lead to more considered use being made of the money, when compared to the previous frantic efforts, as the year-end approached, to find some means of spending funds which would otherwise have been lost to the Treasury.

Secondly, under both Sir John Nott, and now Mr Heseltine, increasingly serious endeavours have been made to improve the efficiency of the whole defence establishment. It is clear that the achievement of economies without loss of performance is going to be perhaps the main thrust of Mr Heseltine's tenure as Secretary of State for Defence. He may well turn out to need all the economists he can find. **Concluded**

25/7/83

Threat to scheme for Gibraltar ship repair yard

By **DESMOND WETTERN** *Naval Correspondent*

A SERIOUS new threat to the Government's plan to begin converting the Naval dockyard at Gibraltar this year into a commercial ship repair yard is arising a few miles away at Algeciras within sight of the Rock.

Some years ago the Spanish Government began building a ship repair yard there. Work was halted for lack of money, but has now restarted with the backing of a Portuguese consortium.

Two years ago when the Government's plan for Gibraltar Dockyard was first broached it was officially estimated that to be economically viable the Rock would have to attract only two per cent. of shipping passing through the Straits each year.

But according to a report prepared by shippers, businessmen, and Royal Naval Reserve officers of the Gibraltar branch of the British Maritime League, in the last 15 years the number of merchant ships calling at the Rock has declined by 50 per cent., and by 1981 Algeciras had overtaken Gibraltar's total, handling 1,592 ships, of which 249 were Russian, many of which had previously called at the Rock.

Already Spain has successfully laid claim to the deep water anchorage adjacent to the Rock's existing small commercial ship repair yard, which recently tried unsuccessfully to obtain the use of some of the facilities in the Naval dockyard.

Likely to worsen

The failure to modernise the existing commercial port facilities; the closure of the land frontier with Spain, particularly to container and passenger traffic; and highly competitive prices for ships' fuel offered by Spain are blamed in the report as the main reasons for the decline in the Rock's shipping trade.

The situation is likely to worsen with Spanish plans to build a new airport for tourist traffic at Ceuta, one of the Spanish colonial enclaves in Morocco, and with the completion of a new road from Algecira which will cut the journey to the airport at Jerez to an hour.

The report gives warning that commercial ship-repairing, general commercial port activity, and the Naval base are all inter-linked and "must all form part of a co-ordinated, connected, and coherent total economic unit" to give long-term security to the Naval base.

Last week Mr Stewart, Under-Secretary for Defence Procurement, visited the Rock with senior officials and in talks with local political leaders left the impression that the Government regards its plan for the dockyard as cut and dried.

In London earlier this year the Nato C-in-C, Southern Europe, the American Admiral William Crowe, expressed concern that Gibraltar's new role might diminish its availability as the only dockyard in the western Mediterranean for the emergency docking of Allied warships, particularly nuclear submarines.

TV SHUTDOWN

Programmes for British

OUR MADRID CORRESPONDENT reports: Police on Spain's Costa del Sol have shut down a television repeater used to bring programmes from Gibraltar to British residents in the Fuen-girola resort area. It was installed in November, 1981, by Mr Barry Chapman, 41, from Shenfield, Essex, who has been living in southern Spain since 1964.

Thanks to Mr Chapman's repeater on the roof of a friend's house, more than 1,000 British residents have been able to watch Gibraltar television.

Local police said: "Use of a private television repeater is strictly illegal in Spain." Mr Chapman was not fined, and none of the equipment was confiscated, but police said that if he reconnected the system, it would be "grave disobedience."

Mr Chapman plans to appeal against the decision. The repeater was a "simple device" he put up on a Saturday morning when he had nothing else to do.

D. Telegraph 25/7/83

**MISSILE CREWS
SUPPLIED BY
PACK HORSES**

The Army is using pack horses to help it overcome problems of re-supplying isolated military positions during the Falklands winter.

Seven horses, hired from a Falkland islander in San Carlos, are to be used to ferry food and equipment to Rapier missile crews hidden in the hills around last year's invasion beaches.

A Royal Army Veterinary Corps sergeant is in the Falklands to assess the animals' worth as they climb the snow-covered tracks.

Times' 25/7/83

THE TIMES MONDAY JULY 25 1983



The Duke of Edinburgh inspecting a guard of honour of the 1st Battalion, Queen's Own Highlanders, at Moolton Barracks, Tidworth, Wiltshire. He presented the "sword of peace" to Lieutenant-Colonel N. J. Ridley, the Battalion's Commanding Officer in the Falklands.

Highlanders win 'sword of peace' for Falklands effort

By Rodney Cowton, Defence Correspondent

A "sword of peace" was presented to the 1st Battalion, Queen's Own Highlanders (Seaforth and Camerons) on Saturday by the Duke of Edinburgh.

The citation gives a vivid picture of Army activity in the Falklands in the period immediately after the recapture of the islands in June last year. The Highlanders were there from July until last December.

The citation says: "Among the many tasks undertaken were the collection of ammunition, especially to place it out of reach of children, the burial of Argentinian dead, the collection

and disposal of vast amounts of rubbish left by the Argentinians and the cleansing of the buildings they had occupied, the filling of hundreds of trenches and the recovery and restoration to owners of precious timber stolen for trench reinforcement."

The citation goes on to record that other tasks included "medical treatment for the population of Goose Green by the regimental medical officer, peat cutting to assist replenishing the islander's stocks, help on farms, daily physical education for schoolchildren and, at Fox Bay, the provision of a school teacher, a soldier clerk, to

supervise the children with their correspondence studies.

"Less formally, assistance was given with catering, waiters, photographers and sometimes a piper for a number of local weddings that took place."

The "sword of peace" is sponsored by the Wilkinson Sword Group. Normally one is presented each year to each of the three services, but because of the special circumstances of the Falklands two are being presented to the Army this year. The second one will go to H Troop 13 Signal Regiment, stationed close to the border between East and West Germany.

'Times' 25/7/83

Falkland role for pack horse

The Army has returned to the pack horse to help it overcome the difficulties of re-supplying isolated military positions during the Falklands winter.

Seven horses, hired from a Falkland islander at the San Carlos settlement, are being broken in to be used to ferry food and equipment to Rapier missile crews.

'Times' 25/7/83

Hassan to see Thatcher as Rock prospects dim

By Henry Stanhope, Diplomatic Correspondent

Sir Joshua Hassan, Gibraltar's Chief Minister, will have more talks at Downing Street tomorrow with Mrs Thatcher, amid concern over the prospects for the colony.

The most immediate issue is British support for the Rock's troubled economy, particularly its naval dockyard, where 1,000 workers are due to lose their jobs in December.

Sir Joshua and his Government have to decide whether to convert the yard into a commercial enterprise. Britain has pledged £28m to help the transformation.

Discussions continued in the Colony last week with Mr Ian Stewart, Under Secretary of State for Defence Procurement, and tomorrow's Downing Street talks reflect the urgency of the problem.

It has to be seen against the background of recent exchanges between Britain and Spain over the future of the Colony. Señor

Fernando Morán, Spain's Foreign Minister, recently referred to a new formula and there has been speculation that he wants to redraft the 1980 Lisbon agreement, under which Spain promised to reopen the frontier with Gibraltar in return for talks with Britain.

He has described the agreement, which has still to be fully implemented, as imperfect and unequal and reacted angrily to a recent claim by Mrs Thatcher that Spain could hardly be admitted to the European Community while border restrictions remained.

Gibraltar claims it is losing up to £100,000 a week because many people cross to Spain to shop and dine, while Spanish customs duties inhibit Spaniards from making similar trips to the Rock.

With the dockyard closure, this represents a double blow to the economy.

'Times' 25/7/83

Future of Hongkong

Way clear for progress in Peking

From David Bonavia
Hongkong

Sir Edward Youde, the Governor of Hongkong, has arrived in Peking for further talks on the future of the colony. He was accompanied by Mr Robin MacLaren, his political adviser, and the two men will return to Hongkong on Wednesday.

Chinese leaders evidently believe the talks are likely to make more progress now that they are satisfied Britain will not take an adamant stand on the validity of the nineteenth-century treaties ceding Hongkong to Britain.

They have also established that Hongkong itself is not represented officially at the talks, as Sir Edward is regarded

merely as a member of the British negotiating team headed by Sir Percy Cradock, the Ambassador to Peking.

Sir Percy yesterday told correspondents in Peking: "We're looking forward to a really busy and useful two days."

Public opinion in Hongkong has calmed down somewhat after the alarm caused by the disagreement over Sir Edward's status. Most people here have confidence that he will put Hongkong's case ably, though Peking is extremely hostile to the argument that care should be taken to avoid disturbing the stability of Hongkong.

It officially considers, quite unjustifiably, that most Hong-

kong people are receptive to the idea of being reabsorbed by China.

Today's confirmation that China will go ahead with the construction of a nuclear power plant near the Hongkong border is seen as a good sign, since Hongkong will be expected to pay for extra power supplies with hard currency, possibly well beyond the 1997 date for reassumption of Chinese sovereignty.

There is pessimism, however, about the future of the Hongkong dollar, which has fallen to 7.2 to the United States dollar and is widely expected to decline further, though gradually. This instantly raises the cost of living

Did an old-fashioned sub slip Falklands net?

By HARVEY ELLIOTT,
Defence Correspondent

BRITISH and American naval intelligence experts are anxiously studying secret Argentine reports that a submarine made a number of unsuccessful attacks on Task Force ships in the Falklands war.

The Americans have sent a team

to Buenos Aires to investigate allegations that an 'old-fashioned' diesel submarine evaded all attempts to find and destroy it—and launched a series of attacks which only failed because its torpedoes did not explode.

Captain Fernando Azcueta, whose West German-built San Luis was known to be operational in the war, maintains he also launched four tor-

pedoes at an aircraft carrier, which he believed was HMS Invincible.

The Royal Navy is worried that its anti-submarine warfare tactics may have proved ineffective in this case and changes will have to be made if the fleet is to be properly defended.

British ships and many submarines are currently being fitted with a new tracking system known as Towed

Array — sensitive listening devices to pick up the quietest sub.

The Ministry of Defence said yesterday that Invincible and many other British ships had to take evasive action on numerous occasions to avoid potential torpedo attack. But there was no evidence that the alleged attack on Invincible took place.



Healing touch of the Falklands Fund

By R. H. GREENFIELD

IT is more than a year now since General Menendez signed the surrender document that ended the fighting in the South Atlantic. Yet tomorrow morning Captain Tony Lambourne, Royal Navy, will be surprised if the mail awaiting him in his office off Trafalgar Square does not contain at least another £400 in donations to help the British Servicemen injured in the conflict and the dependants of those who died. Despite predictions, the public has not forgotten.

So far the South Atlantic Fund has received almost £15 million, of which nearly £10 million has already been distributed. And, though the flood is over, the money is still coming in. It has ranged from the child's 50p of pocket money "for the children who have lost their dad-dies," and the pound notes scrimped from old-age pensions, up to thousands of pounds from companies and £2 million from Hongkong.

Money has been raised for the Fund by associations, clubs, pubs and indeed whole villages throughout Britain. Other contributions have come from Falklanders—and from people in the United States and Europe with no British connections at all. They admired the gallantry displayed in the campaign, and were moved by reports of the sometimes horrific casualties.

It has come in a heart-warming surge of unsolicited public generosity, which began with spontaneous gifts to the Defence Ministry on the news of the first casualties, and has not yet stopped. Nor would anyone wish to stop it. The fund is great, but so is the need. Every penny will be disbursed.

Yet the cynics were not wholly wrong. As they foretold even as the fund was

opened, it has brought not only sorely-needed assistance, but bitterness and anguish as well, as such funds always do. Some people have complained that the fund has given too little, too slowly. Others—victims, perhaps, of earlier conflicts—have complained that it has given too much. One faction believes too little account is taken of individual needs. Another wants flat-rate grants to all.

There have been calls for the money to go to war victims in general, for some at least to be spent on a "permanent memorial," for . . . The list seems endless.

Certain of the more strident critics in the popular Press—concerned less with facts than with prosecuting the class war—have falsely alleged that widows of senior ranks are getting more than those of seamen and private soldiers. Others have objected because the reverse has sometimes been true. It all makes up a sour if expected counterpoint to the general public goodwill.

Caught in the middle of the sniping are Captain Lambourne, the fund's secretary, and his few helpers. Whatever they do, someone will complain. But, from what I have seen, they are performing a difficult job with skill, humanity and tact.

"We are strictly required by law to make our payments on the basis of need," Captain Lambourne said last week. "We seek to bridge the gap caused by bereavement or injury, to restore people as far as possible to the financial position they would have been in if the campaign had not taken place.

"We began by making interim grants as quickly as possible to tide people over the early days, then set about detailed assessments that have involved welfare officers visiting and weighing every case. We work through established Service charities, whose staff have vast experience of helping and caring for those in need."

Contrary to what some people might imagine, payments from the Fund have made no recipients rich. Grants have been made for various purposes, from removal expenses to the cost of converting a car for an amputee. Grants to widows have ranged from £50,000 to £70,000, with an average of £58,000 per case.

The larger grants have gone to those hit hardest by the husband's death. The widows of junior ranks with small pensions are worse off than those with long service and seniority; childless widows have suffered a greater drop in income than those with families.

The Fund has had just over 1,000 cases on its books, of which about 300 remain to be dealt with. Many of these involve seriously injured men still receiving treatment and rehabilitation. In the meantime these men remain on Service pay.

Even now, new cases are coming to light; among them men who emerged physically unscathed but psychologically injured. There will be more in the years to come. The South Atlantic Fund was established for a period of five years, but its team hopes to have finished its assessment work by the end of 1985. Money left undistributed will go to existing Service charities for use in helping Falklands victims in later life.

Imaginatively, the Fund's team are all Servicemen—including Lieutenant Paul Allan, a Royal Marine who himself lost a leg in the conflict. They are resigned to criticism and complaints, but bitterly resent accusations that they are heartless and unfeeling. "We in the Services take pride in looking after our own," explained Captain Lambourne. "All of us here care deeply about what we are doing. After all, any of us, our wives and families, could have been victims, too."



Radio ham throws round-the-world lifeline to the sons of the Bounty

by Joanna Barlow

NEARLY every day, Jim Russell, a radio ham, sits down in the back room of Green Fingers, his bungalow in Byfleet, Surrey, for a chat with Tom Christian, seated at his radio on Pitcairn, a tiny British outpost in the South Pacific.

He knows that Christian - great-great-great - grandson of Fletcher Christian, one of the HMS Bounty mutineers who settled in the island in 1790 - and the 49 other Pitcairners depend mainly on Jim for their contact with the outside world.

Pitcairn, a two-mile-long chunk of volcanic rock just north of the Tropic of Capricorn, has no telephone link. Its British administrators, based in Auckland, New Zealand, communicate with it only by morse code.

For the past three years, 63-year-old Russell, a market gardener, has arranged a remarkable unofficial supply line for the island, more frequent and cheaper than the official route via the governor in Auckland, whose office sends two supply ships a year.

Russell calls up Christian on his short-wave radio, discusses the islanders' needs, orders the goods and arranges free transport with a friendly haulier to Liverpool docks. There, the goods are loaded on the Norwegian tankers under charter to the American oil company Octel, which regularly ships petrochemicals to New Zealand. Free of charge, and as an expensive act of goodwill, the tankers divert to Pitcairn.

Food, tractors, welding equipment and freezers have all reached Pitcairn by this route. "You name it if they need it I'll find a way of getting it there", Russell says. The islanders pay for their purchases out of money they earned from selling carvings and baskets to the crews of visiting ships. The money is finally sent to Russell in registered envelopes.

Russell says his delivery service happened by chance. "I picked up Tom Christian on the ham one day and in conversation he said 'I could do with a battery'. 'All right', I said 'I'll sort one out for you and find a way of getting it there'".

Most of the islanders' purchases are made in this way. They did order a bulldozer from the governor, and this was recently dropped by parachute from a Hercules aircraft (there is no airstrip). But it cost the Pitcairners £53,879 and Russell thought they had been poorly advised about the best choice of machine. They also asked for a

generator and were quoted £8,189. Russell told Christian he could buy one for £6,426 and have it shipped out free.

The island's principal source of revenue is Pitcairn postage stamps sold to collectors. The administration has a total of £750,000 invested. A recent question in the House of Lords established that this money belonged to the islanders themselves.

The Pitcairners would like some of it to be spent on improved water collection and a

new jetty, but they find the bureaucracy slow and cumbersome. In London, the Foreign Office view is: "We don't think there is any need to use ham radio as they have a perfectly good morse code channel."

Britain last year spent the equivalent of £9,000 a head on the inhabitants compared with the £1,000,000 per head per year earmarked for the 1,813 Falklanders over the next three years. There are 15 school-age children and a teacher, sent from New Zealand, acts as the

administration's representative on the island. (He reports to Auckland in a secret morse code.) The islanders bear the surnames of the mutineers Christian, Brown and Young, or that of Warren, a whaler who settled on Pitcairn.

Their isolation has severely increased in recent years: because of the increase in air freight, fewer ships call. But the Pitcairners are not insular and listen avidly to the BBC World Service. And, although most of their orders via Russell are for practical things like cooking oil and corrugated iron, they also enjoy such twentieth century "luxuries" as Dream Topping.



DAILY TELEGRAPH

23 July 1983

PROGRESS IN ANTARCTIC TALKS LIMITED

By Our Staff Correspondent in Bonn

A two-week international conference on drawing up ground rules for future exploitation of the Antarctic's mineral wealth ended in Bonn yesterday having made some progress, but well short of any agreement.

The already difficult negotiations were not helped by the apparent delaying tactics of the Soviet delegation, conference sources said. It impeded progress by insisting all Antarctic exploitation should be in joint ventures, which was seen by some delegates as an attempt to gain access to Western technology.

But Herr Ernst Jung, leader of the West German delegation and chairman of the meeting, said: "I cannot say that the Soviet delegation blocked the negotiations." He nevertheless emphasised the likelihood of agreement taking a long time.

DAILY TELEGRAPH

25 July 1983

MISSILE CREWS SUPPLIED BY PACK HORSES

The Army is using pack horses to help it overcome problems of re-supplying isolated military positions during the Falklands winter.

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A Royal Army Veterinary Corps sergeant is in the Falklands to assess the animals' worth as they climb the snow-covered tracks.

Progress in Antarctic negotiations limited

By MICHAEL FARR in Bonn

A TWO-WEEK international conference on drawing up ground rules for future exploitation of the Antarctic's mineral wealth ended in Bonn yesterday having made some progress, but well short of any agreement.

The already difficult negotiations were not helped by the apparent delaying tactics of the Soviet delegation, conference sources said. It impeded progress by insisting all Antarctic exploitation should be in joint ventures, which was seen by some delegates as an attempt to gain access to Western technology.

Other delegates thought that the Russians were delaying matters because they were not yet sufficiently technologically prepared to exploit the continent's mineral riches.

But Herr Ernst Jung, leader of the West German delegation and chairman of the meeting,

said: "I cannot say that the Soviet delegation blocked the negotiations." He nevertheless emphasised the likelihood of agreement taking a long time.

He described the 14-nation talks as "business-like" and said that further meetings would be held.

Conference sources said that a meeting of the countries' working group would probably be held in Washington in January and that a full "special consultative meeting" would follow in Tokyo in the spring.

The negotiators are the 12 original signatories of the 1959 Antarctic Treaty plus West Germany and Poland. The 12 are: United States, Soviet Union, Britain, Norway, France, Japan, Australia, New Zealand, Argentina, Chile, South Africa and Belgium.

The Falklands war highlighted the largely overlapping territorial claims of Britain, Argentina, and Chile.

happened", as if American politics bore any resemblance to a leisurely and once gentlemanly English game. The talk in Washington is of criminal proceedings against whoever did the leaking, and of reviving some obscure 19th century statute to make those who accept stolen government papers liable for prosecution. In its zeal to uncover another Watergate the American press risks jeopardising the freedoms which allow investigative journalism to flourish. Campaigning newspapers sometimes need to remember Oscar Wilde's definition that "morality is simply the attitude we adopt towards people whom we personally dislike"; and Samuel Butler's description of one of his characters as "an unprincipled, principle-ridden prig".

It doesn't play in Tennessee

Only two revelations would turn "Debategate" into more than a silly-season story: if it transpired that important information affecting national security was leaked; or if some of Mr Reagan's men had deliberately infiltrated the Carter camp to spy. So far, nobody has produced evidence to suggest either. The FBI has been brought in by President Reagan to counteract any hint of a cover-up. The subcommittee on human resources of the house post office and civil service committee is carrying out a competing investigation, mainly to make the obscure chairman of this obscure committee famous.

Nobody in Tennessee ever mentions the subject, complained the senior senator for Tennessee, Mr Howard Baker, when he was grilled by the press on the leaks after a meeting with the president at which they were barely discussed. "Debategate" dominated the president's last press conference too. It is difficult to avoid the conclusion that the White House press corps in particular is far more at home with the minutiae of "Debategate", just as it was with Billygate three years ago (and that turned out to be a waste of effort and newsprint), than it is with the threat of interest rates rising again, conflagration simmering in central America and real poverty back on America's streets. Democratic leaders rightly fear that the media is on a wild goose chase, deflecting attention from the real flaws in Mr Reagan's record. But the fearless journalistic sleuths of Washington carry on with their obsession, undaunted. Maybe what really bugs them is that the Carter mole passed his leaks to other politicians, rather than to the press.

Eyes up

For info. E.M.S.

A change in the World Council of Churches

Do not dismiss the assembly of the World Council of Churches, which begins in Vancouver this Sunday, July 24th, as just another summer swan for globetrotting ecclesiastical bureaucrats. It could turn out to be important, and not only for the 304 Christian churches with about 400m members that make up the WCC.

The assembly, which is the WCC's top policy-making body, is being urged to ratify a change of course that some of its grassroots members have long wanted. The World Council of Churches started life in 1948 as an attempt to bring about church unity. Later, after its Uppsala assembly in 1968, it took a leap into secular matters, including some occasionally left-of-establishment politics. There were several reasons for this, good and bad: the arrival of new third-world churches with urgent socio-political concerns; disenchantment with the unity campaign (particularly in the absence of the biggest Christian church, the Roman Catholics); and not least, for some people, a feeling that public political activism was a welcome distraction from nagging private doubts about their religious beliefs.

The WCC's growing involvement in politics was symbolised by its small but headline-catching grants to the non-military wings of African guerrilla movements. The controversy over this obscured the admirable work the council does in many other fields—with refugees, for instance, some 2m of whom have been resettled under WCC auspices. The guerrilla aid upset many Christians, who suspected that Jesus Christ was being given marching orders by Karl Marx. The critics complained of a lack of even-handedness. Mr Alexander Solzhenitsyn has accused the WCC of caring too much for third-world revolution and too little for persecuted Christians in Russia. A stone's throw from where the Vancouver assembly is being held, a Zurich-based group will be listening to evidence about religious persecution under communism.

Back to churchly basics

The surprise is that the critics seem to have made their point. The organisers of the Vancouver assembly have gone out of their way to present it as unprecedentedly "church-oriented" and "worship-oriented". At the centre of the Vancouver discussions will be a document outlining the consensus reached on baptism, the eucharist and the ministry. Missionary activity and evangelisation, until recently dismissed as "verbalisation of the Gospel", are back in fashion.

The penny has also dropped for some of the national church bureaucracies that underpin the WCC. The British Council of Churches has once again placed church unity at the top of its agenda. It is appointing a Salvation Army specialist to lead its evangelisation schemes. Similar things are happening in other countries. The National Council of Churches in the United States, with a membership of 32 Protestant and Orthodox churches, has been jolted by attacks on its political activism.

The argument about the proper relationship between man's "vertical" concern with God and his "horizontal" duties to other men—between salvation and liberation—will never reach a clear-cut choice. Most people's preference, most of the time, will be for the diagonal. But the churches' worried laymen seem to have got across to worldly pastors that the tilt to the horizontal has gone too far. The WCC may be reclaiming for God a bit of the excess that has been rendered unto some unlovable modern Caesars.



THE GUARDIAN

23 July 1983

Threat shadows Hong Kong talks

By John Gittings

Talks on the future of Hong Kong resume on Monday, in Peking in the knowledge that Mr Deng Xiaoping has threatened to take back the territory before 1997 if a settlement suiting China cannot be reached.

China now says that it wants to reach a satisfactory solution within the next year and will demonstrate its confidence in Hong Kong's future by increasing its investments there.

But Mr Deng's remarks, published in the Hong Kong press, seem intended to increase the pressure on Britain to accept China's definition of the problem and how to solve it.

China does not wish to take back the whole of Hong Kong before 1997 — the year when

Britain's lease on the New Territories expires — Mr Deng said.

But, he explained to Hong Kong Chinese delegates during last month's National Peoples' Congress in Peking, that it might be necessary to do so beforehand if "other people upset the situation to a hopeless degree."

Monday's talks in Peking continue what is officially known as the second phase of discussions which began this month after a face-saving formula had been found on the sovereignty question. According to Mr Deng, it is Britain's face which is being saved.

China no longer insists on British acceptance of Chinese sovereignty as a condition for talks, Mr Deng told the Congress delegates, letting Mrs

Thatcher "get out of an embarrassing situation."

But a successful settlement on the future—the details of which can now be negotiated—would imply Peking's resumption of sovereignty and, therefore, there would be nothing else to discuss.

China's optimistic view of the grounds for a settlement and of Hong Kong's economic future is in one sense reassuring for Britain and Hong Kong. But some aspects of it are hard to reconcile.

On one hand, Mr Deng has repeated the assurance that Hong Kong's social system, lifestyle, and living standards will remain unchanged, with the territory remaining a financial centre and a free port.

But Chinese leaders in the neighbouring province of

Guangdong have begun to sketch out plans for a "Pearl River delta economic zone" eventually including Hong Kong.

The main issue in the talks, according to Mr Deng, is how to maintain Hong Kong's prosperity in the "transitional period" up to 1997. But Chinese leaders claim, at least publicly, that they could weather any loss in income from Hong Kong resulting from a crisis of financial confidence if the negotiations go badly.

Peking is now beginning to encourage the Hong Kong Chinese to think about a future when "Hong Kong people will rule Hong Kong." But Mr Deng stressed that Hong Kong people will be defined as those who "support the reunification of China."



THE GUARDIAN

23 July 1983

THE TIMES

July 23, 1983

Russians balk on Antarctic

From Anna Tomforde
in Bonn

A two-week antarctic conference, attended by 14 countries, ended in Bonn yesterday, achieving only modest progress and reaching no agreement on establishing rules for the exploitation of the continent's mineral resources.

"Judging by the difficulty of the negotiations, it will take years to set up a regime," the chairman of the conference and leader of the West German delegation, Mr Ernst Jung, said.

"We have discussed a number of very abstract and complicated models on which we were not in agreement," he said, adding that the negotiations would be continued. There had been no progress on the controversial question of the territorial claims of seven of the 14 countries which make up the Antarctic Club, including Britain, Argentina, and Chile who have overlapping claims.

Conference sources said that a meeting of the 14 countries' working group was expected to be held in Washington in January. A session of the special consultative meeting would be held later next year, probably in Tokyo.

Mr Jung would not confirm reports that the Soviet Union had indulged in "severe stalling tactics," bogging down the conference on the discussion of details. Conference sources said that the Soviet delegation had made it clear that it was not interested in rapid progress.

Rift in Argentine forces inquiry into conduct of Falklands war

From Andrew Thompson, Buenos Aires

There are growing signs of conflict within Argentina's Rattenbach Commission, formed to investigate the military and political conduct of last year's South Atlantic war with Britain.

It is now unlikely that a full report will be published before the general elections scheduled for October, and the long-delayed post mortem on the war will have to be taken up by the next government, which is expected to appoint a congressional committee of inquiry.

The commission is headed by retired General Benjamin Rattenbach, who represents the Army, and includes senior officers from the other two forces.

The commission has heard testimonies from all the main protagonists of the 1982 crisis. General Rattenbach, is reported to have indicated that its findings so far are damning for General Leopoldo Galtieri, the former President, and his two

colleagues in the 1982 military junta, Admiral Jorge Isaac Anaya and Brigadier Basilio Lami Dozo.

Disagreements within the commission have emerged over the roles of the different services in the war, however. An internal Air Force report is severely critical of the Army and the Navy, each of which in turn is critical of the others. This is holding up a consensus on the overall behaviour of the armed forces during the war.

According to Señor Ricardo Kirschbaum, a columnist of the newspaper *Clarín*, the Air Force member of the commission, Brigadier Carlos Rey, threatened to move his offices to a different floor in the Congress building, where the inquiry is being held, and to publish his own minority report.

He maintained that, as a result, the commission has decided to "write a report, paragraph by paragraph, detailing the different points of view on each of the incidents under

analysis." This report will be finalized towards the end of August, thus delaying the winding up of the commission's work.

The final report will be handed to the military junta, which will decide when and how it should be published, and whether it should be submitted to the Supreme Council of the Armed Forces.

The council is the highest military court, and it could be asked to investigate whether General Galtieri and his junta colleagues should be demoted.

The navy continues to argue that none of the commission's findings should be published until the UN General Assembly, due to commence on September, finishes discussing Falklands question.

Argentina is seeking a new UN resolution calling for sovereignty negotiations with Britain, and the Navy holds that publication of the commission's findings before the UN vote could prejudice the country's international image.

DAILY TELEGRAPH (Business Page)

July 23, 1983

BATTLE over the Falklands looks like re-opening next week. Dr Frank Hansford-Miller, 66-year-old leader of the English National Party, the New Freedom Party and now the Save England Crusade, is planning to challenge Coalite Group's chairman Charles Needham over its Falklands Island Company subsidiary at the group's annual meeting on Wednesday.

Dr Hansford-Miller has become a shareholder of Coalite and does not think the company is the best to develop the far-off islands. He wants Coalite to sell the subsidiary, therefore, and is trying to recruit support from other shareholders and the Government. Prepare for a war of words.

21 July '83

Sir Rex wins royal word of sympathy

By GERALD BARTLETT

SIR REX HUNT, Civil Commissioner of the Falklands, was knighted by the Queen at Buckingham Palace yesterday after flying the 8,000 miles from the islands for the investiture.

And the Queen, chatting and smiling frequently, asked him whether he was still travelling in "that uncomfortable aircraft"—a Hercules.

Sir Rex, 56, who returns to the Falklands next week, said: "This is a marvellous honour for me, the Falkland Islanders and the Royal Marines who defended me so well on April 2 last year."

D S C for pilot

Lt Alan Bennett of the Royal Navy, a pilot who destroyed his helicopter after coming down in Chile during the Falklands crisis, was decorated with the Distinguished Service Cross.

Major Guy Sheridan of the Royal Marines, commanding officer of the land forces which re-took South Georgia, received the OBE, as did Mgr. Daniel Spraggon, the Falklands Roman Catholic priest.

Mrs Kathleen O'Neill, whose husband, P c Francis O'Neill, was stabbed to death by a drug addict near Waterloo station, received the Queen's Gallantry Medal awarded to her husband.

Also at yesterday's investiture were the actor Leo McKern, 63, who plays Horace Rumpole in television's "Rumpole of the Bailey" and received the Australian Order, and Daley Thomson, MBE, the decathlete.

'D. Telegraph' 21/7/83

21 July 83

10 *The Daily Telegraph, Thursday, July 21, 1983*



FALKLANDS POLICY 'WILL PUT DEFENCE BUDGET IN CRISIS'

By *WILLIAM WEEKES* Parliamentary Staff

DR OWEN, Leader of the Social Democrats, warned the Commons yesterday that a continued policy of "Fortress Falklands" could have serious repercussions for Britain's defence.

He told Conservative MPs to put pressure on the Government to reach a settlement on "Fortress Falklands" if they did not want the defence budget to suffer more than any other.

Dr Owen, speaking during the resumed defence debate, said the defence budget would be facing an acute crisis in 1986-7.

In that year the Treasury's acceptance of the Nato commitment to a three per cent. increase in defence spending came up for review, and the contribution given by the Chancellor in exceptional circumstances for the Falklands would be over.

'In Tory interests'

After referring to the recent £230 million reduction in defence and the possibility of further cuts, Dr Owen said it would be immensely difficult in present economic circumstances to continue with the present projected defence strategy beyond 1986-87.

"The Falklands Fortress policy must be examined by this House.

"It is strongly in the interests of Conservatives concerned about defence to examine this issue. If they do not grapple with it and put pressure on the Government to come to a settlement on Fortress Falklands before 1986-7, let there be no illusion that the budget that is going to suffer most is defence."

'Thatcher fetish'

Dr Owen gave a warning that Mrs Thatcher's "fetish" of refusing to discuss sovereignty of the Falklands would mean a savage cost to the defence budget.

The present policy was unsustainable both financially and militarily without paying a very serious price.

"If as a result of a serious attempt to negotiate you found you could not reach an honourable settlement I think that with great reluctance many MPs would be prepared to sustain a Fortress Falklands policy.

"But in the absence of any serious attempt to reach a long-term settlement, the Government will be savagely indicted if they come to the House with reductions in the defence budget as a result of being unable to grapple with this issue."

Dr Owen said the Government should start to open a dialogue with Latin America in advance of the Argentine elections.

Starting the process of dialogue with key countries such as Brazil, Venezuela, Peru and the United States was very important.

Contractors praised

Mr PATTIE, Defence Procurement Minister, confirmed in re-opening the debate that India had ordered the Sea Eagle missile made by British Aerospace and Westland Sea King helicopters with Rolls Royce Gnome engines.

He said British arms sales were expected to reach £2,400 million this year compared with £1,500 million in 1981-82.

The need to sustain Britain's defence industries was vividly demonstrated by the testing requirements of the Falklands campaign.

Praising the dedication shown by contractors in meeting requirements, Mr Pattie added: "Their contribution to our victory should not be under-estimated."

'Unthinking reaction'

Mr KEVIN McNAMARA, from the Labour Front Bench, criticised the Government's defence policy as an "unthinking emotional reaction" to a threat which was neither as great as they anticipated nor as capable of resolution as their policies seemed to suggest.

"It is an unthinking harking back to past glories, of keeping up with the Reagans and Andropovs, the Nuclear Joneses, in pursuit of a great deterrent called the Trident."

'Construction News' 21/7/83

Falklands job for Wyseplan

HUMBERSIDE based Wyseplan has won a £6 million plus contract for the construction of a site camp on East Falkland for the Laing/ Mowlem/ ARC joint venture, which is to build the £190 million airport in the Falkland Islands.

The first units are to be shipped out next month for completion early next year.

Back in the UK, Laing International's managing director Oliver Whitehead has been appointed chairman of the joint venture. A recruitment office for the project has been set up at 171 Ewell Road, Surbiton, Surrey

'Guardian' 21/7/83

Good news for Falklands

By Martin Wainwright

The clatter of a printing press may soon disturb whatever peace is left in the Falklands capital of Port Stanley. The editor of the islands' weekly paper, the Penguin News, is in London discussing plans for expansion.

Mr Graham Bound, aged 25, is also proprietor, and printer of the News which sells as many copies as it can print—about 800. It won a monopoly after the Argentine invasion when its only rival, the Falkland Island Times, closed and sold the News its duplicator.

Mr Bound was already an expert in cutting stencils for an older duplicator, which he

bought for £5 when he started the News three years ago. A mechanically-minded friend kept the print run going with improvised spare parts, including rubber bands.

The new-look News which may result from negotiations in London is likely to use offset printing and increase dramatically in size from a collection of foolscap sheets to a tabloid capable of a much longer print run.

Mr Bound will see a British publisher next week, armed with statistics on potential circulation in the islands. The Army, whose headquarters currently buys 50 copies a week is an obvious market for new readers.

The Penguin News is suspended in its owner's absence, after arrangements for temporary publication collapsed. An Army captain who had volunteered to help was posted elsewhere and a local teacher found that his job left too little time for newspaper work.

Mr Bound, a fifth-generation Falklander whose parents run a general store, will be looking up journalist contacts before he leaves for the Falklands next month. During the crisis his byline appeared in Time magazine, the Daily Mail and other papers, many of which have kept him on as a local correspondent.

'Guardian'

21/7/83

• The Falklands Islands Company did not break the law by supplying the Argentinians with provisions during their occupation of the Falklands, a Foreign Office Minister said in the Commons yesterday.

But he refused to tell MPs how much the company was claiming from the British Government for war damages.

The comments by the Foreign Office Under-Secretary, Mr Ray Whitney, followed an attack on the Falkland Islands Company's conduct by Mr Dennis Canavan (Lab, Falkirk W).

Mr Canavan urged the Government during Question Time to order an inquiry into reports that the company collaborated with the occupying Argentine forces to the extent that the company got £93,000 for supplying the Argentine forces and that they have the brass neck to claim £2 million in war damages from the British Government."

'Guardian' 21/7/83

Hong Kong garrison commitment

By Gareth Parry

The Government yesterday welcomed a Commons Select Committee recommendation that Britain should not reduce the strength of its garrison in Hong Kong.

Responding to the report by the Defence Committee, published in April, the Minister of Defence, Mr Michael Heseltine reaffirmed the Government's commitment to maintaining the Crown colony's stability and prosperity.

Last week Britain signalled its willingness eventually to concede sovereignty over the whole of Hong Kong to China, after the lease of the New Territories, the bulk of the colony, expires in 1997. But yesterday's response makes it clear that there is no thought of reducing Britain's military strength there until the last moment.

The garrison is around 7,500 strong at present, consisting mainly of a British-based battalion and the Brigade of Gurkhas, and has declined by only a small number since 1976, the final phase of Britain's military withdrawal east of Suez.

The committee also notes the delivery to the Royal Navy of five new Peacock class patrol vessels for service in Hong Kong, which is expected to be complete by the end of 1984.

*British Forces Hong Kong.
Command 8994 HMSO.*

'Guardian' 21/7/83

Spain angry at Thatcher's threat to veto EEC entry over Gibraltar

By Patrick Keatley,
Diplomatic Correspondent

Madrid has reacted angrily to Mrs Thatcher's statement on Tuesday that Spain could not enter the EEC until the restrictions on the border with Gibraltar were lifted.

An official statement issued in Madrid described the Prime Minister's words in the Commons as harsh and serious.

But officials at the Foreign Office and in Downing Street said last night that Mrs Thatcher and Sir Geoffrey Howe, the Foreign Secretary, were standing firm on the demand that all restrictions imposed on cross-frontier trade and traffic at La Linea must be removed as the price for Spanish entry into the Common Market.

Britain, in common with the other nine member countries of the EEC, holds the right of veto over all applications for membership. Spain, together

with Portugal, has begun negotiations for entry and hopes to become a full member in 1986.

The present diplomatic tiff, which led to Mrs Thatcher's statement in the Commons, began when the Spanish Foreign Minister, Mr Fernando Moran, was in Holland last week for talks about EEC issues. At a farewell news conference he tossed in a remark about the need for a change of status for Gibraltar, because it would be difficult and illogical for part of the territory of one EEC member to be a colonial possession of another.

MPs raised the issue in the Commons on Tuesday, and Mrs Thatcher defended the principle of Spanish accession to the EEC on the grounds of widening the area of political stability in Western Europe. Then she added: "It is clear that Spain cannot enter the EEC until the restrictions on the border between Spain and Gibraltar are lifted."

These exchanges were given front-page treatment in leading Spanish newspapers yesterday and were fully reported on radio and television.

At the Spanish Foreign Ministry Mr Moran said that Mrs Thatcher's words "were not in keeping with the declared European spirit of the British Government."

In Whitehall last night officials politely dismissed the argument that Gibraltar should be dealt with separately from the question of Spain's accession to the EEC.

Spain imposed the border restrictions 13 years ago, crippling the tourist trade then running through Gibraltar into Spain, and imposing considerable economic burdens on the inhabitants of Gibraltar. Last December restrictions were eased to permit foot traffic for Spanish and Gibraltarian passport holders. But this concession was seen here as derisory.



'Times' 21 July '83

Fortress Falklands

From Sir Miles Clifford

Sir. In a letter from me which you were good enough to publish on June 16 last year I suggested that the Islands should be established as a Nato base and received a number of letters endorsing this proposal. The sole objection ever offered to me is that it was, geographically, a contradiction in terms: this, of course I accept and was well aware of when I wrote. May I make the following points in further urging acceptance of this proposal?

1. Fortress Falklands, entailing as it does a larger military establishment (with the addition of naval and air force units and the essential administrative tail) than the entire civil population, cannot pose a happy social situation for the islanders.

2. With a change of government

or a worsening economic climate, it is safe to assume that the garrison would be substantially reduced, if not withdrawn, when the Argentines would at once return to the attack.

3. With the loss of Simonstown, the Western Alliance has now no base at all in the South Atlantic, with the result that the eastern coast of South America and West Africa are both wide open to Soviet infiltration and in the event of a third world war our communications would be in jeopardy.

4. When Nato was created the Soviet had not, as they now have, an enormously powerful three-ocean navy and an equally powerful air force.

5. The personnel of a Nato base need be little more than "notional" for the Argentines would never dare to confront such a representation.

6. Since the Falklands would then be secure for so far as we can see

into the future and their accustomed way of life no longer circumscribed, I suggest there can be no doubt that they would welcome this solution.

7. In conclusion, we would do well to recall the prophetic words of Lord Anson in 1740:

It is scarcely to be conceived of what prodigious import a convenient station [here] might prove situated so far to the southward and so near Cape Storm . . . this even in time of peace might be of great consequence to this nation and in time of war would make us mistress of the seas.

A conclusion which must have been in the minds of our leaders in World Wars I and II; to satisfy the purists we could omit the "N" from Nato or modify the terms of the treaty?

I am, Sir, yours truly,
MILES CLIFFORD,
The Athenaeum,
Pall Mall, SW1.
July 14.

'Guardian'

21/7/83

Falklands policy will hit defence budget—Owen

By Colin Brown

Dr David Owen, Leader of the Social Democratic Party, yesterday warned the Government that the cuts in public expenditure would make it immensely difficult for it to hold to its commitment to increase defence spending by 3 per cent a year.

He called on Conservative backbenchers to put pressure on the Prime Minister to initiate talks with Latin American countries to reach a settlement over the Falkland Islands following the conflict with Argentina.

The "Fortress Falklands" policy would lead to cuts in the defence budget unless a settlement was reached, he said, speaking on the second and final day of the debate on the defence White Paper.

Mr Geoffrey Pattie, the Junior Defence Minister, refused to give a guarantee that the Government would be able to sustain its Nato commitment to increase defence spending by 3 per cent a year, beyond 1985-86.

Dr Owen said that the ink on the White Paper was hardly dry before the Chancellor had removed £230 million from the £16 billion total, and there could be more cuts ahead.

"The defence budget is facing in 1986-87 an acute crisis. In that year, Treasury acceptance of the Nato commitment to a 3 per cent increase in defence spending comes up for review. In that year, too, the contribution which was given by the Chancellor in exceptional circumstances for the Falklands garrison and the replacement of the battle losses is over. There is no doubt at all that in the present economic situation, it will be immensely difficult to continue on the present projected defence strategy in 1986-87."

Dr Owen went on, "The Government is facing serious problems on its defence policy. The Fortress Falklands policy must now be examined by the Commons. It is strongly in the interests of Conservative MPs to examine this issue with great concern because if they do not grapple with it and put pressure on the Government to come to a settlement on Fortress Falklands before 1986-87, let us be under no illusion, the budget that is going to suffer most is going to be defence.

Earlier, Mr Pattie confirmed to MPs that India had placed an order for the new British anti-ship missile Sea Eagle, despite fierce competition from the French Exocet. India had also ordered advanced Sea King helicopters, with Rolls Royce Gnome engines.

Mr Pattie said that arms sales would be worth £2,400 million this year to Britain, compared with £1,500 million in 1981-82.

Winding up for the Opposition, Mr Denzil Davies said that under Mrs Thatcher the Conservatives were becoming the party of cold war.

The only growth in four years in office had been "in guns and dole queues." The Government's defence policy was an "unlikely cross between old fashioned imperial nostalgia and the commie-bashing Red-baiting attitudes of the American radical right."

Ministers were wrong to say

that cruise had to be deployed because of the Soviet SS-20s. "Cruise was planned and designed long before the technologists and planners knew about the SS-20s," he said.

Mr John Stanley, Minister of State for the Armed Forces, said Labour wanted to abandon cruise, Polaris, Trident and American bases in Britain. "That is not the substance of a realistic defence policy."

Mr Stanley said it was absurd to criticise the present government for not spending enough on conventional defence. Since 1979 expenditure on the navy had risen by 15 per cent in real terms, the army 7 per cent and the RAF 19 per cent.

"We have no intention of



Mr Pattie: Refused to give guarantee

abandoning our deterrent unilaterally. That is a policy that is as irresponsible as it is naive," he said.

A Labour amendment attacking the Government's defence plans was defeated by 384 votes to 192 (Government majority 192).

The Government plans were approved by 351 votes to 30 — a majority of 321.

Honours for the comic, the brave and the speedy



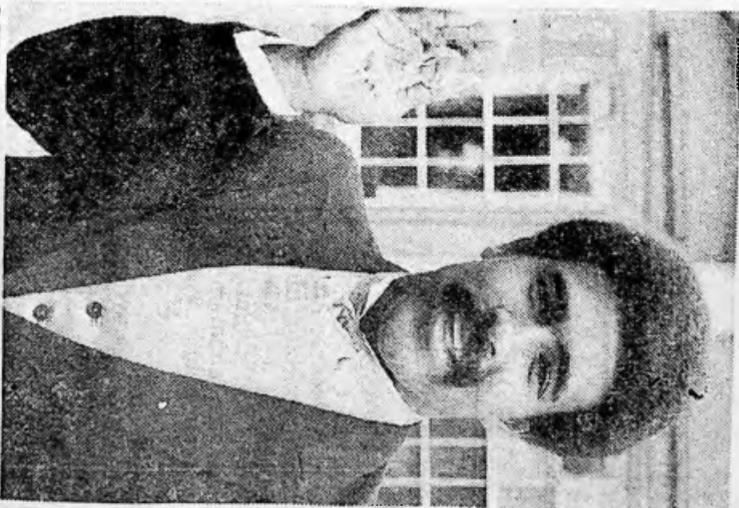
Investiture smiles: Among those receiving their awards at an investiture at Buckingham Palace yesterday were Leo McKern, the Australian-born actor renowned for his television portrayal as



Rumpole of the Old Bailey. He received the Order of Australia from the Queen. The family of Police Constable Francis O'Neill, of the Metropolitan Police, who was stabbed to death in 1980,

received the Queen's Gallantry Medal that was posthumously awarded to him. With Mrs Kathleen O'Neill are her children, Scott, Pauline, Caroline and Brian. Daley Thompson, the

athlete, who was appointed MBE, said afterwards: "I can't remember what the Queen said to me but it's very nice to get the honour." Sir Rex Hunt, Civil Commissioner of the Falklands, who was made a



knight, attended the investiture after flying in from the islands. "The Queen said that she was happy things had settled down in the Falklands", Sir Rex said.

'Times'
21/7/83

E. Standard 20/7/83

Among a host of other men
and women being honoured
today was Falklands Civil
Commissioner Rex Hunt, who
was being knighted.

"Wall Street Journal" 20/7/83

...ing an attack at City Airport that killed six people.

* * *
Britain's Falkland Islands' policy has weakened NATO, a study done by the University of Bradford's School of Peace Studies said. The report by the British university said London has sent more than one-fourth of its frigates and destroyers to the south Atlantic.
* * *

Peru Tries to Keep Economy Going Amid Recession, Floods, Terrorists

By EVERETT G. MARTIN
Staff Reporter of THE WALL STREET JOURNAL

LIMA

HARD LUCK STORIES FROM BORROWERS who can't repay their loans don't impress bankers. Peru isn't any exception, but tales of the misfortunes that have befallen it over the past year are certainly more compelling than most.

Peru shares the problems of other Latin American debtors in trouble. World recession caused a drop in its earnings from exporting commodities - copper, silver, cotton and sugar, in Peru's case. Then Argentina's invasion of the Falkland Islands and Mexico's flirtation with bankruptcy last year frightened lenders away from Lima as well as other Latin capitals. And like other oil exporters, Peru was hurt by oil price declines this spring.

But after these difficulties, Peru's problems get more exotic.

"D. Telegraph" 20/7/83

ARGENTINA GETS NEW DESTROYER

By MARY SPECK
in Buenos Aires

LA ARGENTINA, the second of four destroyers built for Argentina in West Germany, has arrived at the Puerto Belgrano navy base with a shipment of Exocet sea-to-sea missiles, the Argentine navy said yesterday.

The destroyer is to join the navy's other West German-built destroyer, the Almirante Brown.

The arrival of the two other Meko-360 destroyers on order, the Sarandi and the Heroína, has not yet been scheduled.

La Argentina also carries four 40mm anti-aircraft guns, electronic anti-missile control systems, sonar anti-submarine gear, surface-to-air missiles and two helicopters.

FALKLANDS AIRFIELD ' Nuclear base '

DAVID ADAMSON, OUR DIPLOMATIC CORRESPONDENT writes: Argentina has claimed in a note to Sn Perez de Cuellar, the UN Secretary-General, that Britain is planning to turn the Falkland Islands into a nuclear base.

This follows the British announcement on June 27, that a £215 million airfield is to be built on the islands.

Wall Street Journal 20/7/83

Brazil to Seek \$4 Billion Loan On Heels of IMF Agreement

A WALL STREET JOURNAL News Roundup

WASHINGTON - The International Monetary Fund is expected to take several more days to resume lending to Brazil in the wake of that country's tentative agreement on a new set of austerity measures to satisfy IMF demands.

But Brazil isn't waiting around for the IMF money. Buoyed by the accord, Brazil will ask international banks for a \$4 billion loan this week. Its central bank president, Carlos Langoni, will meet in New York with representatives of Brazil's 41 creditor banks to ask for the loan, according to a central bank spokesman.

The revised Brazilian austerity proposal was being reviewed informally yesterday by the IMF's managing director, Jacques de Larosiere. If Mr. de Larosiere approves, the plan will go to the IMF's executive directors, who represent the organization's 146 member countries. Actual IMF lending to Brazil isn't expected to be resumed until next week at the earliest - and possibly the week after.

Brazil Makes Promises

The pact, worked out by negotiators late Monday, is based primarily on a pledge by Brazil to significantly cut workers' cost-of-living increases. The Brazilians also promised to eliminate government subsidies on a spate of major items, including food and gasoline.

The belt-tightening is expected to cut government spending about 20%, after inflation is taken into account - a massive cutback by any standard. Brazil also promised to halve interest rates, which in some cases approach 205% a year.

The IMF agreed last February to lend Brazil \$4.9 billion over three years, but officials held up a \$411 million "second stage" of the loan last May when it became clear that Brazil wasn't carrying out some of the austerity measures it had promised in February.

Some Details Unresolved

There still are some details to be worked out in the total Brazilian package. For example, some commercial banks are pressuring Brasilia to reduce interest rates on its Treasury bills to bring them into balance with market rates. Some authorities fear that Brazil's liquidity crunch could be exacerbated if the disparity between the rates remains so wide, sapping money from private markets.

The reduction in wage-indexing would reduce automatic cost-of-living increases so that they cover only 80% of inflation, rather than 100%, as has been the case. And the adjustments will be made only twice a year instead of quarterly. The cutback is expected to apply both to government and private-sector workers. A 24-hour general strike has been called for tomorrow to protest the pegging of salary increases below the inflation rate.

Brazil is expected to use most of the \$411 million in new IMF lending to meet a scheduled \$400 million payment to the Basel-based Bank for International Settlements on a \$1.2 billion loan from the BIS. The deadline was last Friday, but the BIS has indicated it will wait until the IMF resumes its lending to Brazil. Resumption of lending by the IMF in turn will result in a continuation of lending by commercial banks.

Brazil also is in arrears to other foreign creditors - by about \$1 billion according to Brazilian government estimates and \$1.4 billion according to bankers' calculations. It currently owes foreign creditors \$90 billion, about \$9 billion of which is expected to come due this year.

New Loan Is Sought

The bid for a new commercial bank loan of \$4 billion represents an attempt by the country to keep up payments on its debts, a central bank spokesman said. Commercial bankers said they figured Brazil could need up to \$5 billion from banks over the rest of this year, not the \$4 billion estimated by the central bank.

Rumors have circulated that the U.S. would consider a new \$600 million short-term "bridging loan" to help Brazil meet some of its back payments. However, Treasury Secretary Donald Regan told Congress yesterday that Brazil isn't seeking a new U.S. loan and added that such a credit wouldn't be needed. Moreover, a Brazilian central bank spokesman said Brazil wouldn't seek a loan from the U.S.

Brazil borrowed \$1.2 billion last year from the Treasury's Exchange Stabilization Fund but has repaid that loan. At this point, the U.S. is the only major Western government without a loan outstanding to Brazil.

'Guardian' 20/7/83



FALKLANDS-BOUND: A group of 19 WRACs yesterday flew out to the Falklands for a five-month tour of duty. Selected from nearly 100 volunteers, they are the first women troops to be stationed there and were accompanied by their mascot Fred, who is seen reviewing them with the assistance of Corporal Kay Sharman.

Picture by E. Hamilton West

'Times' 20/7/83

Delay likely on Argentine war report

From Andrew Thompson
Buenos Aires

The report on Argentina's conduct of the Falklands war prepared by a military commission of inquiry, which is due to be completed this month, may be delayed yet again.

The inter-forces commission, headed by a retired officer, General Benjamin Rattenbach, has been investigating the conduct of the military junta and senior officials during the South Atlantic conflict last year.

Sources close to the commission have described its preliminary findings as "damning" for former President Leopoldo Galtieri and his two junta colleagues, as well as for Señor Nicanor Costa Méndez, the former Foreign Minister.

According to the leaks, the commission's report could lead to the demotion of General Galtieri, Admiral Jorge Isaac Anaya, and Brigadier Basilio Lami Dozo.

An internal Navy document obtained by a journalist suggests that publication of the report should be delayed. It says that its publication before the next General Assembly of the United Nations, due in New York in September, could weaken Argentina's international position.

If the report is delayed in this way, it is likely to be placed in the hands of a new civilian administration. Elections in Argentina are due in October.

● **Perón confusion:** Reports that Señora Isabel Perón, the former President and widow of General Juan Domingo Perón, is preparing a political comeback have sown confusion among the Party's presidential hopefuls.

Señora Perón has been living in exile in Spain, and is now on holiday in the coastal resort of Fuengirola. So far she has not intervened in the party's internal battle over the presidential nomination prior to next October's elections.

'Observer' 17/7/83

How to keep calm and do a deal on Falklands

THE MOST interesting parts of the Falkland Island policy review documents being published by the House of Commons Foreign Affairs Select Committee are the submissions by Mr Guillermo Makin, a Cambridge academic.

His evidence is startling. It seems to show that a political solution to the Falklands problem is perfectly imaginable and achievable, provided that all parties remain calm and rational.

This is in direct contradiction to the summing up of last month's Commons Defence Committee report. It concluded that over the next few years the dispute will remain 'as insoluble as ever.'

But the Defence Committee did not talk to the people Mr Makin has been talking to.

First, it is necessary to state Mr Makin's credentials. He is young, and he is not famous. But he is serious and disinterested, and he has good contacts. His Spanish first name and British second name tell the story. His grandfather went to Argentina to work on the railways. He is not a member of the British Argentine community, but he is perfectly bilingual.

He studied political science in Argentina and in 1977 was

MICHAEL DAVIE'S notebook

accepted by Cambridge to read for a Ph.D. He now teaches and has written for *The Times* and lectured at Chatham House. He seems to understand both Argentina and Britain, which is rare.

He became involved with the Foreign Affairs Committee because the adviser to it, another academic, knew his work. Makin wrote the committee a long memo, with copious footnotes, to refute the notion that Argentina has always been belligerent towards its neighbours. Recently, he went back to Argentina to see his family and while there interviewed most of the likely presidential candidates in the coming elections and their advisers. He sent the committee his findings, which they summarised and incorporated in an appendix.

Last week, in Cambridge, as we watched imprudent tourists stripping off and diving into the Cam, he said that each country had a distorted view of the other. He is trying to be

helpful. He wants people in Britain to be aware of what is politically feasible in Argentina in the event of negotiations, and what is not.

Once the guilt of the military regime, particularly Galtieri, is taken into account, says Makin, it is possible to argue that last year's war broke out because of mutual ignorance.

Makin begins by pointing out that it has been repeatedly stated by the British Government that, before negotiations can begin, Argentina must sign a formal declaration of the end of the 1982 war.

Argentine politicians say that a cessation of hostilities is feasible, if the UK shows itself willing to negotiate seriously. However, all the Argentine politicians Makin talked to said they were rather sceptical about this.

But suppose we did? The Peronist party member with the best chance of becoming Foreign Minister after the elections is Ambassador Leopoldo Tettamanti. He is a long-

serving member of the Argentine foreign service and has twice been in the Cabinet. He is the main foreign policymaker among the Peronists.

Tettamanti has publicly deplored the use of force by the Galtieri regime. He wants a formal cessation of hostilities in return for a promise of negotiations, the end of the exclusion zone and a reduction in size of the Falklands garrison.

Another leading Peronist, Dr Angel Robledo, is suggesting a joint reparations fund for the families of the dead on both sides, as a confidence-building measure.

Here, says Makin, and elsewhere in his talks with the Peronists, he found surprising willingness to compromise.

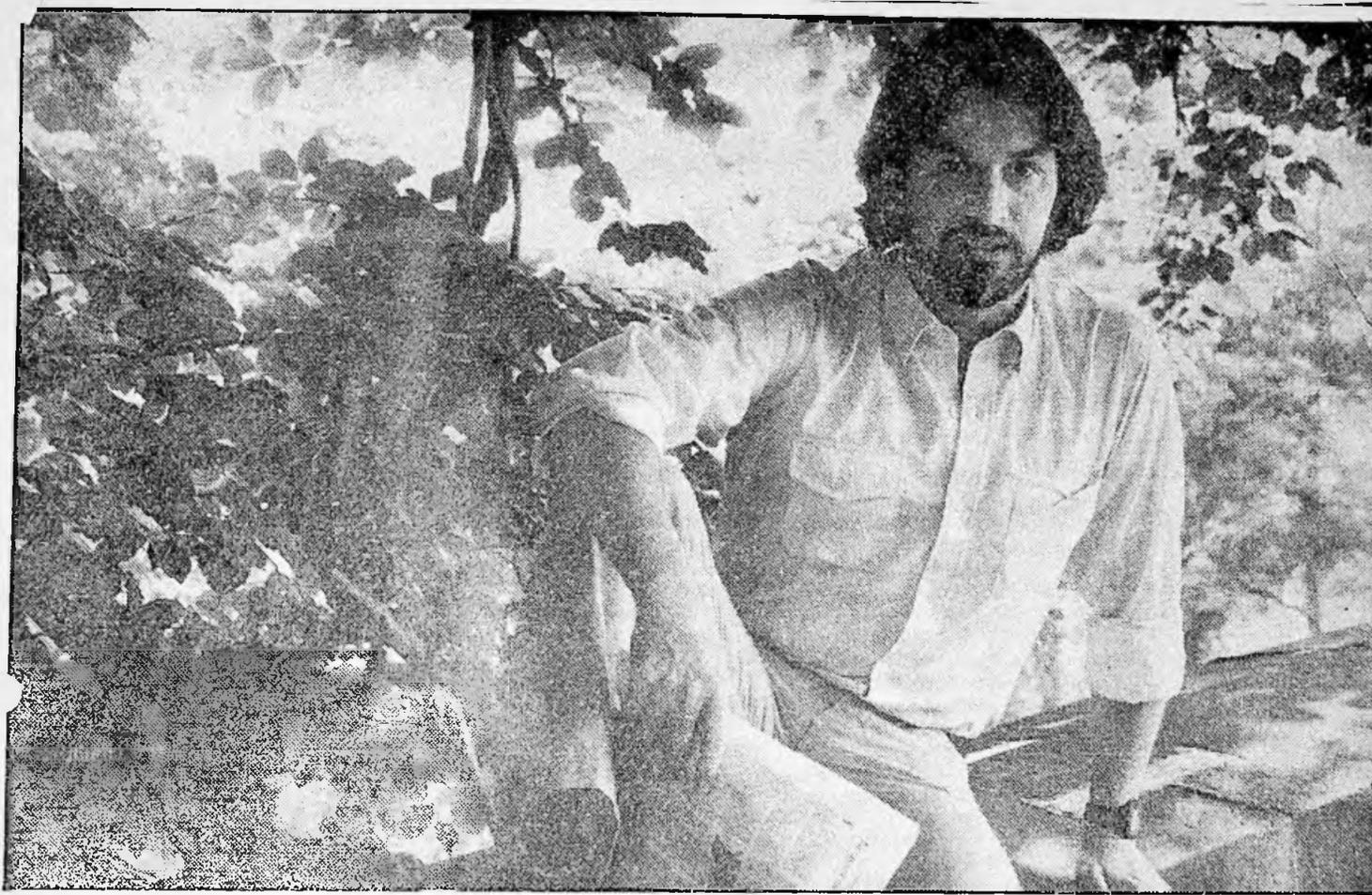
But the Radical Party is more intransigent. Its most likely presidential candidate told Makin that 'a formal cessation of hostilities should only be made by Argentina should the UK promise to negotiate on the substantive issues that caused the conflict — that is, sovereignty.'

All the politicians stressed, though, that negotiations had to include sovereignty. But to begin with sovereignty need only be notional or nominal. A leaseback would be acceptable, Makin was told, not only to any elected Argentine administration but to the opposition. But it would have to be relatively short: it could not run for much longer than for the Panama Canal. In other words, the leaseback would be over by, say, 2001 or 2005.

What would happen after that? The politicians know that Britain regards the views of the islanders as crucial. After leaseback, say the politicians, the Falklands could be given autonomy, perhaps on the same lines as the Isle of Man. By that time, Argentine sovereignty would have become less 'nominal.' The islands' autonomy and the self-government of the islanders could be fully guaranteed by a change in the well-thought-of 1853 Argentine constitution. Third parties could be brought in, including the UN Secretary General to guarantee that the civil rights

I believe he is/was
an Argentine

'Observer' 17/7/83



SUE ADLER

Guillermo Makin : ' The interests of the Falklanders and Argentina's new politicians coincide.'

and civil liberties of the islanders were respected, through annual inspections.

After leaseback ended, the islanders could retain British nationality. They could keep the common law system, education in English, place-names in English and British idiosyncrasies such as driving on the left. As soon as negotiations tackled sovereignty, Argentina would start co-operating on transport, health and trade.

Makin says his contacts with Argentine politicians since 1980 indicate that they and the Falkland Islanders have much in common. They all fear a terrorist and militarised Argentina. 'Understandably, given recent experiences, Argentine political leaders are anxious that the rule of law should return to Argentina.'

Once there was an agreement on the Falklands, concessions by Argentina on other disputes in the South Atlantic would most probably follow.

Makin is inclined therefore to conclude, reflecting on his talks with all the politicians and their advisers, that a speedy political solution to the Falklands conflict is, in fact, possible, provided that the British Government wishes to nego-

tiate on 'the substance of the conflict.'

And if it does not?

In that case, says Makin, Britain could expect Argentina's policy to be 'correct but extremely inconvenient.' These were the words of Dr Guido Di Tella, a respected economist at the Buenos Aires Catholic University who has held public office and is now an influential Peronist adviser. If negotiations fail, or never start, then Argentina would campaign 'diplomatically and financially' to ensure that Britain could communicate with the islands only through Ascension Island.

So we now have a good idea, through Mr Makin, of what is politically feasible in Argentina. And what is not feasible? 'I was unequivocally told that a UN trusteeship, or the reference of the dispute to the International Court of Justice, would ensure the indefinite postponement of a political solution. All the people I interviewed made it abundantly clear that "Fortress Falklands," or UN trusteeship — except for an interim period during negotiations and with Argentine consent — or any form of internationalisation that tried to bypass Argentina,

were politically unthinkable.'

But what is politically feasible for the British Government? Before the conflict, as we know, Mr Nicholas Ridley, on behalf of the Thatcher Cabinet, tried to sell the House of Commons the idea of a leaseback solution. He got nowhere. His own party's Falklands lobby savaged him. So did the Labour Party, led by Mr Peter Shore.

Some may say that any talk of leaseback (or even any talk of negotiation) will fall on still deaf ears now, given the heroic British statements made during and since the war.

Mrs Thatcher last week said she saw no prospect of negotiating with Argentina about sovereignty. But she did add the words 'at present.'

We have not yet had the Foreign Affairs Committee's final recommendations, only last week's draft by Sir Anthony Kershaw.

One key, of course, will be the attitude of the islanders. The first reaction of their London spokesman, when I asked him what he thought of the Makin findings, was not wholly dismissive.

The islanders had rejected leaseback once but could look at it again. 2001 sounded a bit

soon. Autonomy like the Isle of Man was something to consider. One would need to be very certain about the guarantees. Above all, one would want to be sure that any newly demilitarised Argentina was going to be stable.

Given what the islanders have been through, this caution is wholly understandable. The point Makin makes is that the interests of the islanders and the new Argentine politicians to a degree coincide. Neither group wants the return of the military. 'Never has there been such repression. Never have there been so many deaths.'

If there are no negotiations, the military will be able to say: 'You see? We were right! Force is the only solution!' They will be able to use the lack of negotiations to resist reforms, or even to legitimise a coup. How, and in what circumstances, a civilian Government will establish itself, or fail to establish itself, Makin does not know any more than anyone else. But he is sure that negotiations on the Falklands would help to stabilise the civilian Government. 'If we don't get talking, it'll be a powder keg.'

'Times' 19/7/83

TIMES
19 July

Tight control on Argentine

IMF LOANS

The idea put forward in the Commons that any hesitation in making funds available to the Argentine Government would lead to unemployment in the United Kingdom was a lot of monstrous nonsense. **Lord Bruce of Donington**, for the Opposition, said during the second reading debate on the international monetary Arrangements Bill. This provides for an increase in the limit of the United Kingdom's participation in joint lending under borrowing arrangements of the International Monetary Fund to 1,700m special drawing rights - approximately £1,200m. **Lord Bruce** said that neither was Argentina in a position to engage in a trade war in retaliation, as had been suggested. If not pressure could be exercised or action taken in this matter, it would prove what had

long been suspected, that the Prime Minister, Chancellor of the Exchequer and Foreign Secretary were lap-dogs when it came to the City of London and the financial interests.

The Earl of Gowrie, Minister of State, Privy Council Office: He is being astonishingly irrelevant and astonishingly offensive. (Conservative cheers)

Lord Bruce said the Government had neither the intellect nor the will to stand up to the international banking community and for this they should be indicted. (Labour cheers)

The Earl of Gowrie said that were Argentina to divert money to buy more arms, about which fears had been raised, the IMF programme being negotiated with the Argentines could be heavily jeopardized.

The IMF programme and any bank loans contingent upon it did not give Argentine any surplus funds to spend on arms. The programme put tight control on

Argentine finances and if they were to divert money to buy more arms it could jeopardize the programme and Argentine's ability to negotiate further funds.

The international commercial banks had not yet signed the \$1,500m loan which had been under negotiation for several months. The loan was unlikely to be signed just yet. It was unlikely to be effected unless and until Argentina had satisfied the performance criteria of the funding programme. How the Argentines were behaving was contingent on what funds they received.

The Bill was read a second time.

● The Companies (Beneficial Interest) Bill was read a second time. It amends the Companies Acts to provide for the disregarding of certain interests and rights in determining whether a company had a beneficiary interest in a trust or in shares.

DAILY TELEGRAPH

July 19, 1983

WAR GRAVE VISITS REJECTED

By Our Political Staff

THE Prime Minister yesterday rejected with regret an appeal from war widows for Government cash so that they could visit the graves of their husbands killed in action.

Mrs Thatcher said that while the Government would like to be able to offer a visit to all next of kin of Servicemen buried overseas, "the numbers would be very large and it would be far too difficult and expensive to organise."

Pressure from war widows for such visits to be arranged surfaced after the officially-organised and financed pilgrimage by next of kin to Falklands war graves early this year on the Cunard Countess, 17,495 tons.

They argued that they should be entitled to similar treatment, noting that only since 1967 had the Government financed visits to the graves of those who had recently died on active service abroad.

View unchanged

Yesterday, however, Mrs Thatcher told Mr Clement Freud, Liberal M P for North-East Cambridgeshire, that the Government stood by its view that the concession could not be granted retrospectively.

She said that about 11,000 widows of men killed in the 1914-18 War were still receiving pensions, and about 54,000 from the 1939-45 War and subsequent conflicts.

FALKLANDS WIDOWS

Average payment £38,000

Payments from the South Atlantic Fund to widows of Servicemen killed in the Falklands range so far from £30,000 to £70,000, with an average of £38,000, Mr Stanley, Armed Forces Minister, said yesterday. He told Mr Stanley Crowther, Labour M P for Rotherham, that the level of payments was "not directly related to rank."

As a charitable trust the fund had to make payments based on need and the amount of financial loss suffered by a husband's death. Assessments were based on experience gained in Northern Ireland.

Tues 18/7/83

TIMES

18 July 1983

Falklands hazard reduced

Operation minefield advances

By Rodney Cowton Defence Correspondent

The operation to clear minefields around Port Stanley in the Falkland Islands has been substantially reduced in recent months.

Areas totalling over 80 sq km which last November were still thought to contain minefields, have been declared free of mines. That has reduced by well over half the area within 20 to 25 km of Stanley which was thought to contain mines.

In addition, the Royal Engineers have made progress in methods of detecting the mines. Of about ten types of mine which were laid in the Falklands by the Argentines, there is thought to be only one type which cannot be reliably detected. That type probably accounts for under 10 per cent of the mines laid.

After the recapture of the Falklands last year, attempts at clearing minefields were suspended once the immediate vicinities of Stanley and the airfield had been declared safe. That was because there were many plastic mines which could not readily be detected, and because the conditions of the Falklands add to the difficult-

ies of detection. Many of the mines are lying in soggy peat.

It was decided that risks which might have been tolerated while the fighting was on were not acceptable when the conflict had ceased and that clearance would not be resumed until means had been devised of detecting the mines with a high degree of reliability.

In the meantime, large areas in the east of East Falkland were fenced off as containing minefields, as also were smaller areas in other parts of the islands.

It has been possible greatly to reduce the area of supposed minefields. That is largely because captured Argentine maps of the minefields have proved much more reliable and comprehensive than was originally thought.

Also, in some areas the presence of numbers of animals, whose deaths had been originally attributed to mines, have on examination been found to have died from wounds inflicted by hand weapons, probably Argentine soldiers taking pot-shots at them.

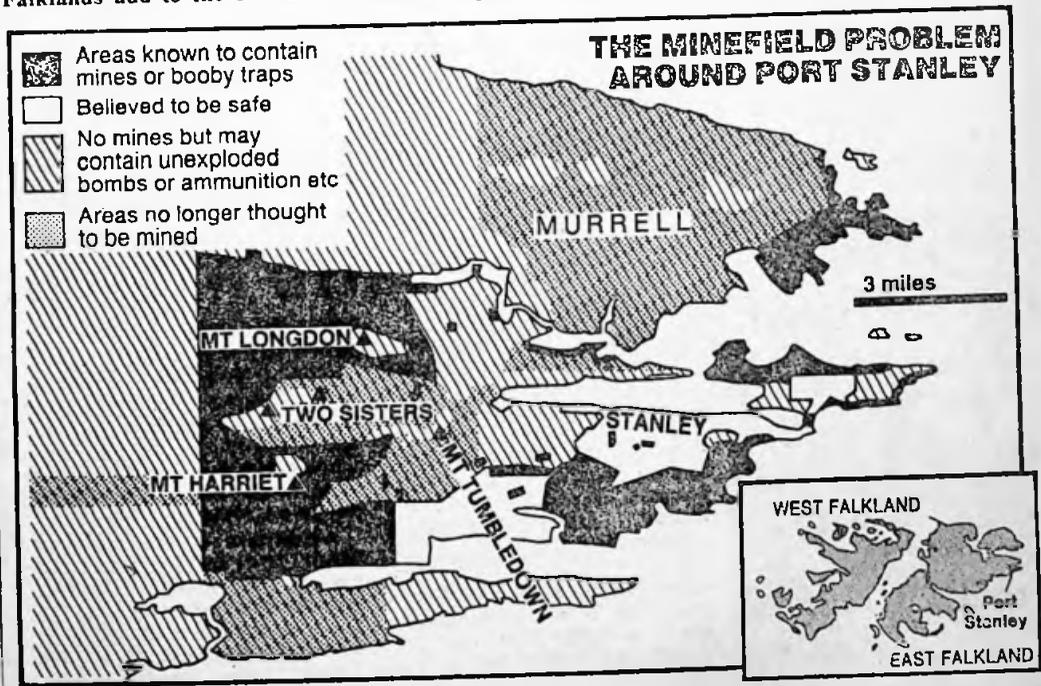
The largest area to be

declared free of mines is about 50 sq km in the region known as Murrell in the north-east corner of East Falkland. That area is being grazed by sheep. Another area believed to be free of mines is much of the land around Mount Tumbledown.

Such areas have not, however, been declared free of hazard. They have been moved from category three, which covers known minefields, to category two, in which there is no evidence of mines or booby traps, but where there may remain a risk of unexploded bombs, ammunition and so on.

In the case of the Murrell, where there was no fighting, the area has been extensively traversed on foot and on horseback without dangerous materials being found. Although it remains in category two, there is optimism that it is safe.

The remaining known minefields near Stanley are mainly along stretches of the coast, plainly designed to impede an amphibious landing, and to the west of Mount Harriet, Two Sisters and Mount Longdon.



FALKLANDS 'WIN' FOR ARGENTINA

By DAVID ADAMSON
Diplomatic Correspondent

ARGENTINA is claiming a significant diplomatic victory over Britain in talks in Geneva last week on the regulation of satellite broadcasting in the Americas.

A United Nations plan, adopted yesterday, gives Argentina equal rights with Britain in direct broadcasting to the Falkland Islands, South Georgia, and the Sandwich Islands.

The practical effect of the plan is negligible so far as the British colonies are concerned because the resident population is small in the Falklands and non-existent in South Georgia and the Sandwich Islands.

Legal precedent

But Argentina considers the rejection by the International Telecommunications Union, a UN agency, of Britain's attempts to exclude Argentina from any channels for the Falklands as setting a legal and political precedent.

Its significance will be tested in the next session of the United Nations General Assembly, opening in September, when Argentina will request a debate on the question of sovereignty over the Falkland Islands.

FALKLANDS MASS GRAVE DENIAL

Army engineers clearing battlelines in the Falklands have discovered the body of an Argentine soldier more than a year after the war ended. But a Ministry of Defence spokesman denied rumours circulating in Port Stanley that a mass grave had been found.

"There is no truth in the rumour," he said. The body found will be buried in the Argentine cemetery at Darwin.

WRACs in Falklands—P5

20 WRACs FLY TO PORT STANLEY

By CHARLES LAURENCE

THE first women troops to be stationed with the Falklands garrison are to fly out to Port Stanley tomorrow.

Twenty members of the Women's Royal Army Corps, with Capt. Diana Foster, 28, in command, will join the 4,500 soldiers on duty in "Fortress Falklands," giving a ratio of 225 men to each woman.

The women are clerks, postal and courier operators, supply specialists, and cooks. They will work with units stationed in and around Stanley, but will not be deployed in the countryside.

The women, selected from 100 volunteers, spent last week training in the Brecon Hills in Wales in preparation for the Falklands, despite the difference in temperature between Britain's summer and the sub-Antarctic winter in the South Atlantic.

Pretty dresses

The women, aged between 21 and 27, have all served in Ulster. With little on which to spend money in Stanley, and with normal deductions for the and lodging waived, they expect to be able to save as much as £2,000 during the five-month posting.

Although they have been briefed to expect cold, rain and plenty of mud in Stanley, they have also been advised to take pretty dresses to give "the right impression" when off-duty.

A Ministry of Defence spokesman said the WRACs would be given "accommodation to the same standard as men." They would probably be billeted together in one building, splitting up each day to go to work.

FALKLANDS WOMEN Weapon training

PATRICK WATTS in Port Stanley writes: Three local women who have joined the Falkland Islands Defence Force are not in uniform just for fun or to make tea for the lads on weekend exercises. They want to be taught how to use every weapon in a professional manner and then "defend our country if the need should arise."

They are Vanda McDonald, 18, a secretary; Teresa McGill, 24, a laboratory technician, and Sharon Halford, 29, a shorthand typist.

'Guardian' 15/7/83

Friday July 15 1983

NEWS IN BRIEF

Spanish call on Gibraltar

WHITEHALL was not worried last night by the declaration of the Spanish Foreign Minister that the Gibraltar problem "must be solved" and that he would present proposals to Britain and to its partners in the EEC, writes Patrick Keatley.

Mr Fernando Moran was giving a news conference in The Hague after talks with the Dutch foreign ministry about Spain's pending application for membership of the EEC. He said it was impossible to contemplate an enlarged Community, with Spain as a member, in which part of its territory was held as a colony by another member, Britain.

"The Gibraltar issue must be solved," he said. "The people there can keep their British citizenship."

'Gardian'
14/7/83

KENNETH FREED reports from Santiago on increasing street violence over Chile's repression and recession

The barricades go up around Pinochet

PRESIDENT Augusto Pinochet attempted to prevent an anti-government protest on Tuesday evening by imposing a strict nighttime curfew, but dissidents resisted with fiery street barricades and banging pots and pans.

Shortly before the 8 pm curfew went into effect, youths in working class and poor neighbourhoods blocked streets in central Santiago with burning tyres and trash. Police fought back with tear gas and army troops moved into the city, sometimes armed with heavy machine guns, to force demonstrators off the streets. It was the first use of the army to quell a public protest since Pinochet took power in a violent coup 10 years ago.

As the first hours of the

curfew passed, the sounds of scattered gunfire and blasts of explosions could be heard. Local radio stations reported that police-protester confrontations occurred in several areas of the city.

The protest was the third in as many months called to show public displeasure with Pinochet's repressive political rule and the country's eroding economic situation. After allowing the May and June demonstrations to go on, the President vowed this time to shut down the protests with a brief but total curfew.

The restrictions on public movement were unusual. A total curfew was imposed from 8 pm until midnight. Anyone on the streets during that time without a safe-conduct pass was liable to be

shot by patrolling police and soldiers.

However, from midnight until 2 am, the curfew was lifted, and some people speculated that this was to allow government workers time to get home from their offices. After two hours of free movement, a partial curfew was ordered until 5.30 am. This type of curfew, which bans unauthorised motor traffic, but not pedestrians, is normal in Chile most of the time.

The protests—the first two of which were carried out with mixed results—are aimed at demonstrating public unhappiness with Pinochet's unyielding military rule and with the economic policies that have left Chile with up to 30 per cent unem-

ployment and other debilitating problems.

In the statement given to reporters, the Ministry of Information said, "police and security agents have detected in recent days a concerted action to distribute pamphlets that directly and indirectly incite a change in public order today."

Previously, Pinochet had arrested political and labour leaders in an effort to intimidate the opposition, then sought to ignore the planned protest.

At first, there were indications that this policy was working. Leaders of the important lorry-drivers' union had withdrawn support from Tuesday's protest when the government acted to relieve pressure on the drivers for

loan repayments. Other labour leaders and opposition politicians declined to publicly support the anti-Pinochet protests after the general ordered the arrest of Gabriel Valdes, the former foreign minister and president of the Christian Democratic Party.

Pinochet, under pressure or acting on the advice of some aides, added a seemingly benevolent side to all of this by continuing his practice, started last month, of allowing a few old opponents to return to Chile from exile and releasing some others from gaol.

Early on Tuesday morning, small unsigned pamphlets were distributed on street corners and in buses calling on the people not to buy

anything during the day and then, between 8pm and 10pm, to stage a "caceroleo", during which protesters would noisily beat pots and pans together to show their discontent with Pinochet's 10-year rule.

In the morning, the appeal seemed to be working. Traffic in the centre of the city was small, stores were not as crowded as usual, and people were talking about the protest.

The government evidently decided to clamp down on the dissidents after it began to appear that the protest might be effective and when there were some tentative signs that it might be other than peaceful.

—Los Angeles Times.

Herald Tribune 14/7/83

Other Opinion

Hong Kong on the Table

When Chairman Mao's Red Guards were rampaging through Hong Kong, terrorizing the colony, it was said that China could take Hong Kong with a telephone call. Not much has changed the statement, although much has changed the political outlook of the Beijing regime. Instead of making that telephone call, the Chinese have summoned senior British officials to Beijing for talks on exactly when and how they will take over the British colony.

The second round of those talks opened [on Tuesday] amid much pompous secrecy from both sides. China has pledged publicly to keep Hong Kong capitalist, at least into the next generation. Britain has pledged publicly to "protect the people of Hong Kong" — brave words, but words which, in a crunch, London would be powerless to back up.

Hong Kong is an important port and financial city. New, "progressive" China, aiming to be a world military, economic and political superpower by the end of the century, needs Hong Kong for its vast wealth, the expertise and industriousness of its citizens and the banks there. And Hong Kong, as its residents attest, is indeed Chinese.

But realities are realities, and precipitous demands and actions by Beijing are harmful both to the 5 million Hong Kong residents and the image of China itself to the world. The final disposition of Hong Kong must be reasonable to all parties, most certainly to the capitalist population.

— *The Bangkok Post*.

When the first round of talks became deadlocked there was a flight of capital out of Hong Kong and the Hong Kong dollar dropped to as low as 7.77 against the U.S. dollar. However, last May Mrs. Thatcher reportedly sent a letter to Mr. Deng indirectly admitting Chinese sovereignty over all of Hong Kong. This has apparently softened the Chinese position.

China's announced policy is to make Hong Kong a "special administrative province." Xi Zhongxun, a Politburo member, has promised that China would not "touch" its capitalistic system even under the next generation of leadership. These assurances, coupled with the

landslide victory of Mrs. Thatcher's Conservative Party on June 9, have caused the Hong Kong dollar to rebound.

We hope China and Britain can reach an agreement which is in the best interests of the people of Hong Kong and also protects the prestige of both nations.

— *The Daily Yomiuri (Tokyo)*.

Mr. Deng and his colleagues are adamant that British rule over Hong Kong should end. They also seem convinced — without a scrap of historical evidence to support them — that the Chinese Communist Party can keep a sufficiently loose rein on a capitalist city like Hong Kong for it to go on prospering.

If this is indeed the Chinese view, Britain's options are decidedly limited. If it rejects China's plans for Hong Kong, it risks provoking an open row that will do more damage than if it accepts them. Perhaps the best thing it can do is to acknowledge, or intimate its readiness to acknowledge, the fact that, the lease agreement being what it is, China's claim to sovereignty over Hong Kong is incontestable.

An acknowledgment of this sort should, however, be made contingent upon a clear commitment from Beijing to preserve the administrative and legal system of Hong Kong largely intact. At the same time, opinion makers and public figures in Hong Kong should be encouraged to speak out in favor of a settlement of this sort, rather than standing in awe of Beijing's pronouncements as they have tended to do until now. Otherwise Chinese leaders will be misled into thinking their present plans for Hong Kong pose no problems for the local population.

— *The Times (London)*.

Certainly it is the people of Hong Kong who in this game of diplomatic bluff are wearing the biggest blindfold. Negotiations have to be conducted with proper confidentiality, but the enormous secrecy surrounding the whole issue is excessive. Chinese officials have at least aired their views, although often inconsistently. British officials have done nothing at all to prepare public opinion, least of all in Hong Kong, for the future.

— *The Guardian (London)*.



Deputy Foreign Minister Yao Guang of China met with reporters in Beijing Wednesday after two days of talks with Britain on the future of Hong Kong. Talks will resume July 25. United Press International

U.K. and China to Reconvene Talks On July 25 on Hong Kong's Future

Reuters

BEIJING — Chinese-British talks on the future of Hong Kong will resume July 25 in Beijing, Chinese and British officials said Wednesday at the end of a preliminary round of negotiations.

A joint statement said "the two sides have had useful and constructive talks," but it gave no details.

However, sources close to the talks said both sides had made compromises to allow detailed dis-

cussions without an agreement on sovereignty, previously the main obstacle to joint planning for the future of the colony. Most of Hong Kong is ruled by Britain under a 99-year lease that expires in 1997.

The sources, who asked not to be identified, said issues discussed included administrative arrangements to maintain the prosperity and stability of Hong Kong, which Chinese officials have said is one of their main aims.

Britain was apparently not in-

sisting that it could, in principle retain control of Hong Kong island and Kowloon peninsula after the lease on the New Territories runs out, the sources said, while China no longer demanded that Britain yield on the issue before other problems were discussed.

Hong Kong island, the business center of the colony, was ceded in perpetuity, along with Kowloon, by treaties in 1842 and 1860. The New Territories leased in 1898.

Talks on the colony began last September when Prime Minister Margaret Thatcher of Britain visited Beijing.

The delegations, led by the British ambassador, Sir Percy Cradock, and Deputy Foreign Minister Yao Guang of China, met for just over three hours Wednesday, about as long as they met on Tuesday.

The governor of Hong Kong, Sir Edward Youde, joined the talks Tuesday, but Chinese officials have stressed he is only part of the British team and does not represent the 5.2 million residents of Hong Kong, most of them Chinese.

'Herald Tribune' 14/7/83



United Press International

Riot police advancing on students who were demonstrating at the University of Chile on the eve of a national day of protest.

Chileans Protest Despite Curfew, Arrests

By Juan de Onis

International Herald Tribune

SANTIAGO — Arrests of opposition leaders, censorship, a military curfew and other intimidatory measures contained — but did not stamp out — Chile's third "national day of protest" against the government of President Augusto Pinochet.

The authorities confirmed that a 19-year-old woman was shot from a car during curfew hours Tuesday night and a 15-year-old was wounded critically in a similar incident near a working-class neighborhood.

At least 120 arrests for curfew violations were made here and in Concepción.

Demonstrators in some shantytown areas defied the ban on being in the streets from 8 P.M. to midnight and put up flaming barricades of gasoline-soaked tires.

However, the scattered violence was overshadowed by the overwhelming response throughout the city to the main thrust of the nonviolent protest — the beating of pots and pans from inside homes where residents were confined by the curfew.

The din could be heard every-

where in Santiago, a city of four million people, for more than two hours. It was even more extensive and prolonged than on the two earlier days of protest, May 11 and June 14, when no curfew was imposed.

In many areas, military patrols fired warning shots. The soldiers were subjected to shouted insults and demands for "democracy now," as well as the release of political and union leaders who are under arrest. They include Gabriel Valdez, 64, the president of the outlawed Christian Democratic Party, and Rodolfo Seguel, president of the copper miners' union.

Hundreds of University of Chile law students interrupted their exams to hold a campus rally. To riot police in the street, they chanted in rhyming Spanish: "Policeman, understand us one more time, our struggle is not against you but against Pinochet."

After two months of this contest between the opposition and the military government, it appears doubtful that peaceful demonstrations will topple General Pinochet. Still, the government has not been able to eliminate the pressure for change from very large sectors of the population.

Julio Ponce, one of the president's sons-in-law, resigned Tuesday as general manager of the state-owned Chilean Development Corporation following allegations that he used influence for personal gain.

Another presidential relative was removed recently as head of the state insurance company after brokers complained that an insurance firm set up by General Pinochet's daughter, Lucia, had obtained an extraordinary amount of government business.

The arrest of Mr. Valdez, a former foreign minister who is widely known abroad as a United Nations official, has generated increasing international pressure on the regime.

An appeals court is hearing arguments for the release of Mr. Valdez, who has been held in solitary confinement by a judge's order since Saturday.

Interior Minister Enrique Montero has agreed to reconsider the dismissal of 850 copper miners who went on a protest strike last month in support of their leader, Mr. Seguel. He is facing a possible jail sentence on charges of calling an illegal strike.

All these international and inter-

national political problems are generating growing pressure for some movement by the regime toward a more open system.

The unfolding drama is expected to reach a peak by the 10th anniversary of the military coup that overthrew President Salvador Allende, a Marxist. The anniversary, Sept. 11, is expected to be another day of national protest.

■ Pope Calls for Dialogue

Pope John Paul II called for justice and the respect of man in Chile, and said dialogue was needed to avoid violence, Reuters reported Thursday from Vatican City.

Speaking at his Wednesday general audience, the pope endorsed a declaration from Chile's bishops that warned the population not to use violence.

He also called on the authorities in Chile to waste no time in setting up effective dialogue so that violence could be avoided.

"I want to make mine the call from the bishops," John Paul said, "and invite everybody to pray for Chile."

He further asked concern for "the real temporal and spiritual well-being of the Chilean people."

'Construction News' 14/7/83

CONSTRUCTION NEWS

EDITED BY JOHN FRENCH

Page 11

A. Monk gives warning of work shortage

5 TORIES BLOCKED FALKLANDS REPORT FROM COMMONS

A PARTLY completed draft report on a policy for the Falkland Islands, drawn up by the Commons Foreign Affairs Committee, along with the minutes of its meetings, reveal that Conservative members successfully blocked any chance of a Commons debate on its conclusions.

At the committee's last meeting on May 10, the day after the General Election was called, the five Tory members voted against a motion which said that those parts of the report agreed by the committee so far should be reported to the House.

The three Labour committee members voted in favour.

Even though the draft report was never formally agreed by the full committee, its contents will be studied in detail by those MPs who want the Government to revise its present policies regarding the Falklands' future.

The report, issued in the name of Sir Anthony Kershaw, the committee chairman, deals first with the claims of Britain and Argentina to sovereignty of the islands.

Past evidence

It believes that the historical evidence is finely balanced but is "obliged to conclude that the weight of the evidence argues in favour of the view that Argentina's title to the Falkland Islands (or at least to East Falkland) was, at the time of the British occupation in 1855, of greater substance than or has been credited by official United Kingdom Government sources."

It concludes that assertions about the legality of the British occupation of the whole of East and West Falklands in 1855 are certain to persist, although Britain's title to West Falkland seems to be secure.

The report says: "Your committee have yet to be persuaded that Argentine silence in respect of the British claim during much of the second half of the 19th century did not note de facto recognition of Britain's title to the Falkland Islands."

The committee does not doubt the legality of Britain's claim but does recognise that Argentina will continue to contest the question.

It notes: "Since 1945, at least, probably every Argentine schoolchild has been taught that the neighbouring Malvinas form part of Greater Argentina.

"It is doubtful whether most British schoolchildren would even have been able to identify the location of Britain's South Atlantic colonies on the map."

The committee believes that the Government's determination that no change in the islands' administration and government should be agreed without the fullest consideration of the islanders' views is not only the minimum commitment they can expect of Britain but also consistent with Britain's obligations under the United Nations Charter.

Claims weakened

It says that whatever the strength of Argentina's claims to the islands had been before its invasion the committee had no doubt the claims were seriously weakened by Argentina's resort to arms in April, 1982.

"Argentina stands condemned of unwarranted aggression in pursuit of a favourable solution to her dispute with the United Kingdom, in conflict with the foremost principle of present-day international law, and until she completely renounces the use of force, her claim to the islands cannot be seriously considered."

The report says, however, that so long as Britain does not turn its back completely on the possibility of a negotiated settlement, the present attitude at the United Nations should give Britain room for manoeuvre and time to consider its long-term stance.

Despite Britain's military victory the underlying cause of the conflict remains as intractable a problem after the conflict as it was before.

Defeat had not persuaded Argentina to renounce her claims. She had not formally renounced the use of force as a means of presenting her claims or even acknowledged the end of hostilities.

more long-term recurrent costs are reduced, the more Britain may become committed to the perpetual maintenance of the status quo.

It says also that if the present policy of decolonisation is pursued in respect of remaining dependencies but not in the Falklands, then invidious comparisons will be drawn, to Britain's considerable international embarrassment.

Present policy also carried with it implications for the security of the South Atlantic and Antarctica which historically had been free of international tension.

Argentines shared the doubts of some islanders as to the long-term viability of present British policy and believed that their own refusal to acknowledge the end of hostilities was a major bargaining card which should not be lightly exposed.

Any hope that an initiative would be forthcoming from Argentina did not appear to be justified.

Dealing with possible alternative policies, the committee believes that under present circumstances the search for definitive solutions is premature and may well prove counter-productive.

It believes that the clear title which Britain has over the dependencies ought not for the moment to be compromised.

It does not believe that a British offer to go to legal arbitration would amount to much more than a gesture which would not in practice hasten the resolution of what was essentially a political rather than a legal dispute.

Legacy of distrust

The draft report concludes by saying that the legacy of distrust and enmity created by the conflict and the unpalatable record and character of the Argentine military regime must rule out for the time being any consideration of the transfer of sovereignty over the Falklands to Argentina.

Equally, the continuing belligerence of the present regime renders any immediate withdrawal or substantial reduction of the strength of the British garrison both militarily foolhardy and politically unacceptable.

The committee believes that a leaseback arrangement should not be discounted by the Government in future negotiations and probably represents the most promising long-term solution to the dispute.

The timescale for such an arrangement to be even remotely acceptable to the islanders would need to be long, probably extending over the span of several generations of islanders.

(Minutes of the Proceeding of the Foreign Affairs Committee, Session 1982-83. H.M.S.O. £6.40.)

Enormous cost

As a result Britain was obliged to secure the islands by military means, maintaining a large defence force, at enormous cost, many thousands of miles from its normal theatre of military operations.

The present situation also posed other problems for the islanders, who were cut off from air links with the South American mainland and deprived of local educational, health and communications services, previously available.

The view of the present government was that there was no alternative to the present strategy of maintaining a full and effective force capable of repulsing any military force Argentina might choose to employ.

The report says: "Your committee do not believe that present policy, however necessary it may be in the short term, offers a stable future for the islands.

"Not only are its material and political costs burdensome, but the policy itself is reactive and inflexible and carries with it unfortunate implications for the wider conduct of foreign policy both now and for the future."

The committee says that the

D. Telegraph 14/7/83

SAS raiders let down by late Hermes

MEMBERS of the SAS who destroyed 11 Argentine aircraft in the Falklands Pebble Island operation were forced to abandon a plan to "annihilate" the 114-strong garrison guarding the aircraft, according to a new book.

The Argentine lives were spared because the carrier Hermes arrived in the area late and could not launch the helicopters carrying the raiders in time for them to complete their killing mission, according to a new edition of Tony Geraghty's book "Who Dares Wins."

In the edition Geraghty includes a 30,000-word account of special forces' operations in the South Atlantic and claims the SAS squad were given two orders: "Destroy all the aircraft and kill everyone in the garrison."

But, for reasons unclear, naval planners "miscalculated" the time it would take to bring Hermes within helicopter range of the target.

"This in turn meant a late dash into the target area, sailing at speed into a high wind, which ruled out movement on the flight deck, and helicopters could not therefore be made ready." This resulted in only one of the two original objectives being sustained.

Mr Geraghty also claims to have evidence that the Pebble Island garrison soldiers survived a second operation designed to wipe them out because the surrender came a day before the plan went into operation.

Times 14/7/83

TIMES
14 July '83



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

THE FORTRESS FACTOR

The draft report on future policy for the Falklands published yesterday by the Commons Foreign Affairs Committee once again shows what a useful service can be provided by Select Committees. Naturally the Chamber of the House of Commons will remain the ultimate place where the Government's policies are tested, as well as the spirit and cohesion of the governing party. However, much of the raw material which should inform those debates will have to come from the proceedings of Select Committees, such as with this report. The future of the Falklands should rightly continue to exercise the minds of MPs, even if the position in the South Atlantic provides no foreseeable grounds for any likelihood of early change.

Sir Anthony Kershaw's draft report recognizes certain underlying factors about the Falklands, and argues in favour of the recognition of others. The basic claim to sovereignty is accepted as not proven either way, and thus less proven for Britain than the Foreign Office would assert. However, the Argentine claims - whatever they were before 1982 - have been seriously prejudiced by its unwarrantable resort to force last year, in breach of every accepted principle of international law. Until Argentina completely renounces the use of force, therefore, her claim cannot be seriously considered.

That is the Committee's view, but that is not in itself enough. The Argentine claim cannot be seriously considered simply because it is reiterated. There are respectable international procedures for adjudicating on claims of sovereignty. Argentina should either use them or recognize that it has no better position in law, and possibly a worse one, than the British Government, which thus has no

need to respond to the claim, except when it is pursued with force.

The Committee also states that no change in the situation in the Falklands should be agreed without the fullest consideration of the views of the islanders. That is the minimum commitment that they should expect from the Government.

The Committee goes on to explore what changes there could be. Integration within the UK? Independence? Trusteeship? Leaseback? As a provision of the Antarctic Treaty? Or as a multilateral defence base in the South Atlantic? The merits and demerits of each option are considered. The Committee concludes that of them all the leaseback proposition, extending over a span of several generations of islanders, should be kept under the closest consideration as a possible device for securing the long-term future of the islanders at lower financial and diplomatic costs to the United Kingdom. But not yet. The legacy of distrust and enmity created by the Argentine invasion and occupation, the unpalatable nature of the Argentine regime and its continuing bellicosity not only rule out such considerations for the time being, but make it imperative that Britain maintains the firmest posture of deterrence and defence of the islands.

These are respectable considerations for members of Parliament, but they have a major weakness as a basis for policy in a government. The committee concludes that, since the Argentine claim is not likely to go away, it will have to be conceded. It bases this conclusion on the supposition that the defence burden will otherwise become intolerable. No sentiment could be more conducive to encouraging Argentine

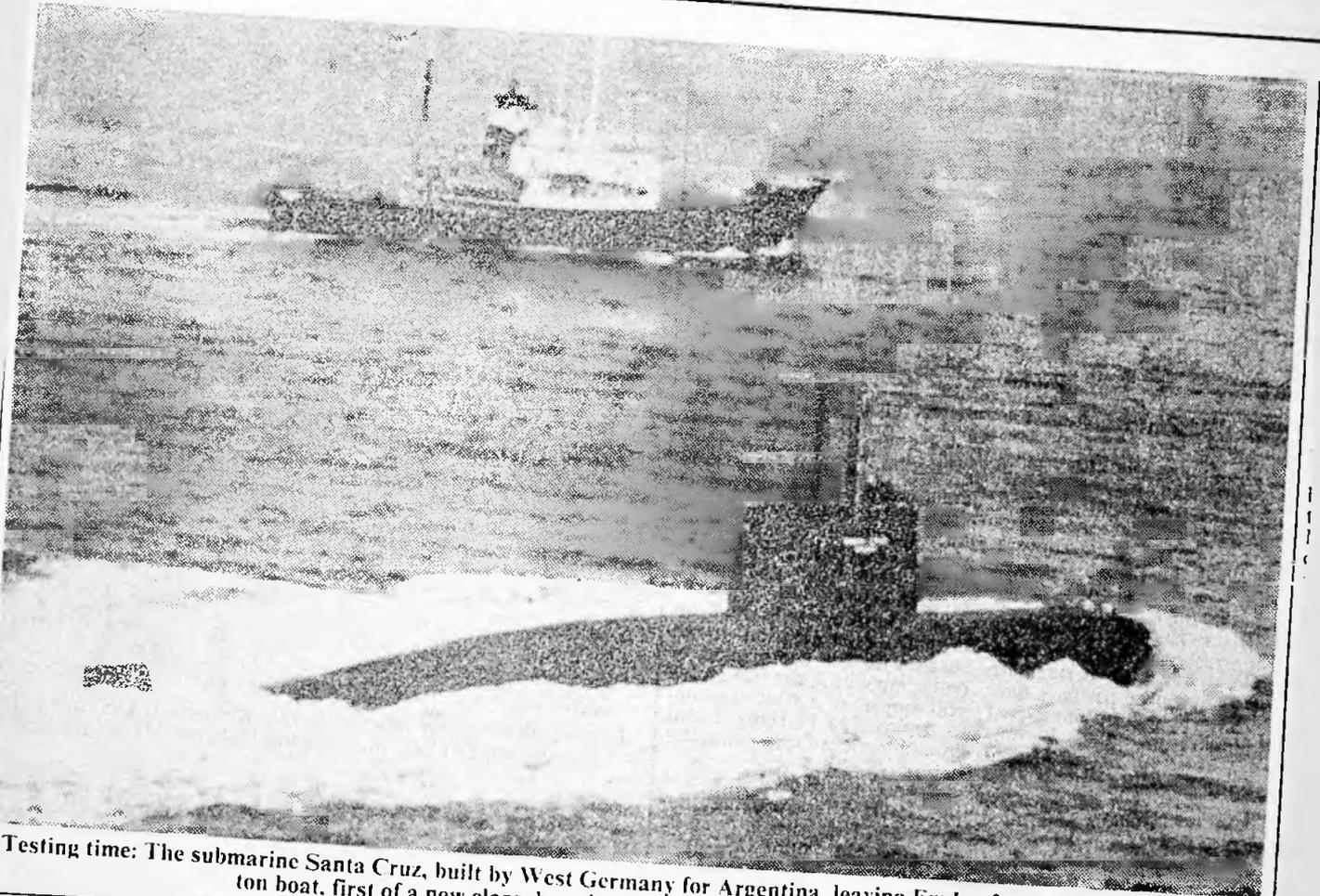
intransigence than to take this line.

The committee's fallacy is to consider that the defence burden will automatically become intolerable. It will indeed be an additional burden on Britain's defences. That might cause the actual contribution to the European theatre to be lightened. What is overlooked, however, is the considerable strategic advantage of a continuing British presence in the South Atlantic.

In the United States there is a division of view about the need to mend fences with Argentina and the fear of upsetting Britain in the process. In November, when Argentina should acquire a civilian government, it will be necessary for Washington to make friendly representation to Buenos Aires, which will probably include some arms deals. Arms sales may be a necessary element for forging a new relationship between Washington and Buenos Aires. The weapons concerned must not alter the current balance of power over the Falklands, but provided that can be arranged, Britain should not protest. The only hope of more amicable future relations between Buenos Aires and London must lie in a triangular relationship with Washington. That might encourage a gradual understanding in Buenos Aires that Argentina's strategic interest in the South Atlantic is best served by multilateral conversations and agreements and not by an obsessive persistence with the claim to sovereignty over the Falklands. Then - but only then - it might be possible for Britain to contemplate leaseback arrangements in which the juridical change would not in any way undermine the security of the Falklanders and Britain's capacity to guarantee it.

Times 14/7/83

THE TIMES THURSDAY JULY 14 1983



Testing time: The submarine Santa Cruz, built by West Germany for Argentina, leaving Emden for sea trials. The 1,700-ton boat, first of a new class, has six torpedo tubes and a 25-knot top speed.

D. Telegraph 13/7/83

DESPAIR OVER 'ARK'

By PATRICK WATTS
in Port Stanley

A SHIP taking hundreds of live animals to the Falklands to replace those lost during last year's conflict, could be delayed yet again, according to Port Stanley's veterinary officer.

The ship, nicknamed Noah's Ark, has already been delayed several times. Local farmers are beginning to despair as obstacles continue to appear.

The ship will carry hundreds of horses, sheep, pigs, cattle and even budgerigars which have been purchased by the Falklands Foundation in London. It will be paid for from a fund established shortly after the conflict ended last year.

Mr Malcolm Ashworth, Port Stanley's milkman, has been unable to resume normal milk deliveries for months because the best of his herd was slaughtered by the Argentines. Most of the population are using milk powder or long-life milk which arrives once every three months from England.

FLOATING HOTEL FOR TROOPS

A 5,500-ton floating hotel for troops in the Falklands was named Pursivant, after a 1939-45 war base in the islands, at a ceremony today at the yard of Sea and Land Pipelines at Lowestoft, Suffolk.

In a few days the Pursivant is to be manoeuvred on board the semi-submersible Dvni Swan, 19,216 tons, for her 8,000-mile three-week voyage to the south Atlantic.

D. Mail 13/7/83

'Stay in Falklands'

IT would be 'militarily foolhardy and politically unacceptable' if Britain pulled out of the Falklands, a Commons report warned last night. But the draft document by the all-party foreign affairs select committee, also warns that 'fortress Falklands' policy could prove too expensive. The committee's investigation, which began in the last parliament, was interrupted by the General Election, but from last night's report, it was clear MPs are anxious about the huge sums of money being spent on the British garrison.



THIS time, Richard III's demands for a horse could get an unscripted response. The play opens tonight among the bridle paths of New York's Central Park. It will star Kevin Kline, late of *Sophie's Choice*, under the guidance of the New York Shakespeare Festival's first British director, Jane Howell. They originally considered doing *Henry V* but Miss Howell, still offended by 'that unnecessary, pointless' Falklands war, didn't want to do anything so jingoistic and so they settled on *Richard III*.

'Guardian' 13/7/83

Argentine relaxes ban on UK funds

Two British banks have been authorised to transfer funds out of Argentina since a new law last month ended a freeze on British assets in the country, government sources said yesterday.

The two banks are Lloyds International and Barclays. The sources declined to say how much money they had sent out of the country.

Argentina's military Government froze all British assets during last year's Falklands conflict but a new law making the ban more flexible was passed on June 6.

The relaxation of the 15-month-old freeze on UK assets

was introduced to facilitate the extension of new commercial banking loans to Argentina. A further \$1.5 billion five-year loan, 10 per cent of which is being provided by British banks, is due to be signed in New York soon.

The new law empowers a commission that oversees British assets in Argentina to authorise the transfer of assets abroad in cases where special circumstances exist. It also allows the commission to relax the assets freeze on British companies "taking into account the general interest and equal treatment given to the Argentine Republic."

'Guardian' 13/7/83

Tory MPs blocked Falklands report debate

By Richard Norton-Taylor

The Commons foreign affairs committee yesterday published the minutes of its discussions on a highly contentious draft report on the future of the Falklands. They reveal that the Conservative members of the committee succeeded on May 10 — a few days after the election was announced — in blocking a debate about the report's conclusions.

But the minutes show that a crucial paragraph which says that Present British policy does not offer a stable future for the islands was supported by a majority, including two Tory MPs, Mr Jim Lester (Broxtowe) and Mr Cyril Townshend (Bexley).

The paragraph adds: "Not only are its material and political costs burdensome but the policy itself is reactive and inflexible and carries with it unfortunate implications for the wider conduct of foreign policy now and for the future."

The report, the main contents of which were disclosed in the Guardian in May, says that a lease-back arrangement represents the most promising long-term solution to the dispute, though it also says that the time scale would probably need to extend over the span of several generations of Falklands Islanders.

Prepared in the name of the committee's chairman, Sir Anthony Kershaw, Tory MP for Stroud, it also makes it clear that the transfer of sovereignty must await a return to a democratic government in Buenos Aires.

Even though the draft report was not formally agreed by the full committee, its publication yesterday is certain to provide ammunition for those, including many Tory backbenchers, who believe that the Government should make some move after the Argentine elections and when the new UN General Assembly session gets under way in the autumn.

It says that despite Britain's military victory in the South Atlantic, the underlying cause of the conflict—the sovereignty dispute—"remains as intractable a problem after the conflict as it was before."

The report criticises the Government's decision to construct a new airfield on the islands. That, it says, may make Britain more committed to the "perpetual maintenance of the status quo."

On balance, it adds, Argentina's claims to sovereignty over the Falklands on grounds of Hispanic inheritance and territorial integrity carry more weight in the United Nations than British claims on grounds of long standing possession.

The all-party committee also agreed to a passage in the report which says that no change should be made in the government of the Falklands "without the fullest consideration of the views of the islanders."



Jim Lester

Times' 11/7/83

Times 11/7/83

Chile jails three leaders of main opposition party on eve of protest

Santiago (AP, Reuter) - A judge sent the president and two other leaders of Chile's largest opposition party to jail on Saturday on suspicion of organizing a protest against the military regime.

Scores of Christian Democratic activists shouted "Liberty, liberty" in the halls of the Supreme Court building as police ushered their party's leaders to an armoured prison van after a five-and-a-half-hour hearing before Judge Arnaldo Dreysc.

At the Government's request, the judge had called Señor Gabriel Valdés, the party president, Señor José Degregorio, its secretary-general, and Señor Jorge Lavandero, a former senator, to question them in the case of two young Christian Democratic activists jailed since last Monday night.

The two activists had been seized at a Santiago print shop while picking up 700,000 leaflets urging Chileans to take part in a peaceful one-day protest tomorrow against President Augusto Pinochet's authoritarian rule. They were charged with threatening state security.

After the hearing, Señor Ambrosio Rodríguez, state prosecutor, announced that the judge had ordered the party leaders to be held incommunicado "on suspicion of participating in the events being investigated". The judge has five days to decide whether to bring charges against them.

The jailings were an important step in a crackdown on the broad-based political and trade union movement that organized two massive one-day demonstrations on May 11 and June

14, the biggest since General Pinochet seized power in 1973.

Señor Valdés aged 64, a former Foreign Minister, smiled as police led him from the courtroom, and Señor Lavandero flashed a V-sign. Party activists said the jailings would fuel tomorrow's third "day of national protest".

On Friday, armed men raided the headquarters of a national group that has spearheaded recent protests and abducted a number of people.

The National Union Coordinating Group is the most radical of five labour organizations involved in the demonstrations.

Señor Arturo Valdés, a union official, said that two dozen men, carrying machine guns and dressed in civilian clothes, arrived in unmarked cars and destroyed furniture and took away office equipment. They did not identify themselves but appeared to be secret police.

The military Government has meanwhile authorized 99 more exiles to return to the country, including Señor Renán Fuentealba, a former president of the Christian Democratic Party, and Señor Cesar Godoy, aged 82, a former Communist member of Congress.

● **BONN:** West Germany's Christian Democrats yesterday protested to the Chilean Government about the arrest in Santiago. (Reuter reports).

Times 12/7/83

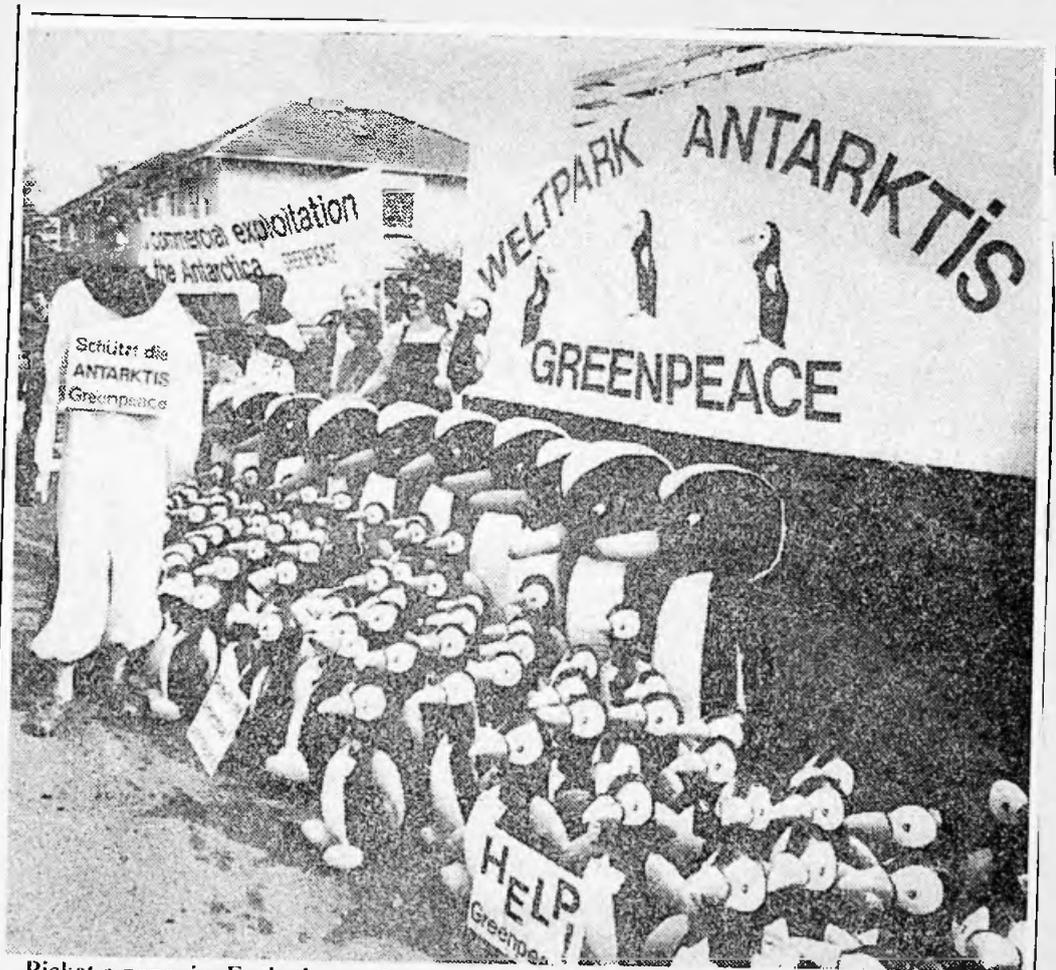
an accessory after the fact.

Youde back for Hongkong talks

Peking (AP) - Sir Edward Youde, the Governor of Hongkong, arrived in Peking yesterday for talks on the future of the British colony, over which China wants to reassert sovereignty.

The two-day talks start what the two sides call the second phase in negotiations begun after Mrs Thatcher's visit to Peking last September.

'Times' 12/7/83



Picket a penguin: Ecologists and toy penguins picketing yesterday's opening in Bonn of a 14-nation conference on the commercial exploitation of minerals in the Antarctic. "Make Antarctica a world park", they said.

1 Guardian 12/7/83

£200m loans to Argentina 'hypocrisy'

THE Shadow Chancellor, Mr Peter Shore, yesterday opposed the provision of about £200 million in new loans to Argentina by British banks without a guarantee that hostilities over the Falkland Islands would be ended.

He accused the Government, which had sanctioned the loan, of pursuing the policy of double standards — strong on military defence at an enormous cost but following a policy of financial appeasement which would enable Britain's enemies to equip themselves for future adventures.

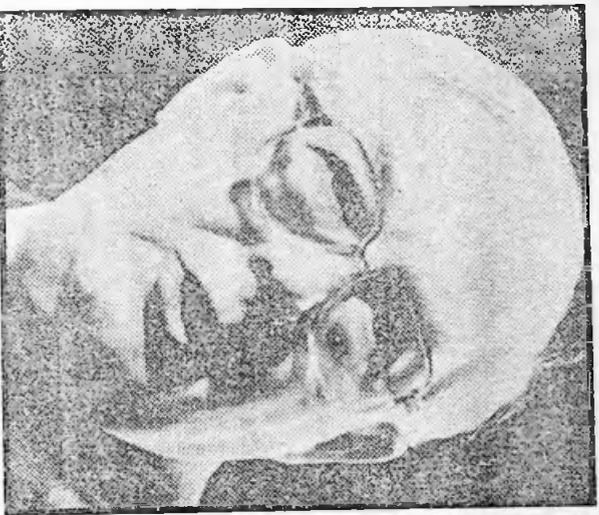
"There are many who find this hypocritical and disgraceful, an insult to our armed forces, the Falkland Islanders and the people of Britain," said Mr Shore.

It was a supreme triumph of the value of money and capital over freedom and independence and the interests of our country, he said. Mr Shore made his attack at the start of a short debate on the International Monetary Arrangements Bill, which was given a second reading last night.

The Bill approved an increase in the IMF quota for loans to Third World countries from £350 million to £1,200 million.

The Opposition opposed the bill because it failed to impose conditions on UK financial assistance to the Argentine while the present state of hostilities continued.

The Economic Secretary to the Treasury, Mr John Moore, said he could not hide from the House his distaste and the distaste of other MPs from both sides that it was necessary to provide more money for Argentina. But he insisted that it was necessary in the interests of Britain and the world economy that Argentina should not default on its debts. Such an event would be inimical to the whole financial system on which we depended and



Mr Callaghan (left) — "tinkering;" Mr Moore — "threat to world financial system"



Mr Moore — "threat to world financial system"

would damage industry and destroy jobs.

He also argued that it was less likely that Argentina would be able to purchase more arms if her debt were re-scheduled than if no further loans were given to her by the Western banks.

Mr Shore said he welcomed the decision by the IMF to raise its quotas by about 45 per cent. He said it should have been more but Labour were opposed to new money being advanced to Argentina without conditions.

Labour's amendment was timely because representatives of the leading commercial banks were meeting in New York yesterday to sign a five-year agreement with Argentina to provide her with a medium-term loan of \$1,500 million, about \$150 million of which would be subscribed by British banks.

The Argentine Government had embarked on a major programme of re-equipping its armed forces, including

the purchase of nine Super Etendard fighter jets armed with Exocet missiles, West German frigates with Rolls-Royce engines, six Corvettes and nine fast-patrol boats fitted with sonar and radar equipment.

Mr Shore, who estimated that Britain's contribution would be about £200 million in total, demanded to know why the Prime Minister had not insisted on Argentina ending hostilities as a condition of providing the loan.

He said he did not think that if Britain had taken a stand on this it would have brought down "the whole Argentine house of cards."

Challenged by Mr Enoch Powell (Ulster Unionist, South Down) Mr Shore said he was opposed to Britain making new monies available while Argentina remained in a state of hostilities, while they remained an active threat to the Falklands and while they remained under a military junta. He did not

wish to bring down the whole Argentine economy.

Mr Powell then asked whether it was Mr Shore's case that he was perfectly happy for the Argentine economy to be sustained by the rest of the world's banking community, provided that Britain did not have her finger in the pie?

Mr Shore said he was in favour of putting proper conditions on Argentina. If he could not get that he would not go ahead with any additional British loans to Argentina. "Unlike the rest of the international community, we are in a state of hostilities and contention with them," he said.

The former Labour Prime Minister, Mr James Callaghan, gave the bill a qualified welcome. Mr Callaghan (Cardiff South and Penarth), who did not become involved in the argument about help to Argentina, called for fundamental re-structuring of the world debt situation.

"We are really tinkering with the problem. That's not to say that I despise this bill or the proposals that are contained within it," he said. But they would not cure the disease, and neither would it be cured by the free market system.

But the bill would provide some help. "I particularly welcome the fact that, under the general arrangements to borrow, for the first time countries other than the Group of Ten will be able to borrow through these arrangements. That seems to be to be a very sensible step forward," said Mr Callaghan.

The former Tory Cabinet Minister, Mr Geoffrey Rippon (Hexham) said the problem of Third World debt was the most important matter facing the House and the free world. "The crisis we are facing might be likened to a series of time bombs ticking away under our hopes of economic recovery," he said.

Mr Rippon told MPs that despite the "limited rescue operation" contained in the bill there was likely to be a continuing wave of international financial crisis, culminating in considerable debt repudiation, unless urgent action was taken.

"In this process the developed and developing countries will suffer alike because the rich won't be able to sell and the poor won't be able to buy. That is the classic recipe for economic depression and disaster," he said.

All MPs would like an assurance that the Government was willing to take the lead in securing some effective overhaul of the international monetary system before it was too late.

The bill was given an unopposed second reading after an Opposition amendment rejecting it had been defeated by 212 to 107 (Government majority 105).

'Guardian' 12/7/83

Deng's recipe for Hong Kong

By John Gittings

New talks on the future of Hong Kong open in Peking today in an edgy atmosphere, and China's leading politician, Mr Deng Xiaoping, has now sketched out plans for a new Hong Kong government after Britain leaves.

China would not send officials to take over Hong Kong, said Mr Deng, and the territory could have its own legislative body and laws—but they must conform to the Chinese constitution.

The general picture, summed up in the phrase "Hong Kong to be ruled by the people of Hong Kong," implies that China would accept an autonomous Hong Kong government with wide local powers. It could even include former British officials as well as Hong Kong Chinese, but only if they were legal residents of Hong Kong and not in any other capacity.

This picture, conveyed by Mr Deng in several recent interviews, is based on the resumption of Chinese sovereignty and the clear understanding that China must approve all the new arrangements and may intervene when necessary to correct any deviation.

Meanwhile, the governor of Hong Kong, Sir Edward Youde, was met at Peking airport yes-



Sir Edward Youde:
rebuked by Peking

terday only by a junior official, as he arrived for the new phase of talks, after Peking had rebuked him for claiming to represent the people of Hong Kong.

As initial optimism over the talks wore off in Hong Kong share prices fell and the Hong Kong dollar also lost against the US dollar.

According to British sources, Sir Edward will stay only for the first two days of talks, but the negotiations will continue through the summer. The Chinese side is led by the Deputy Foreign Minister, Mr Yao Guang, but it is widely accepted that Mr Deng Xiaop-

ing himself — who has pinned his reputation on regaining China's lost territories — is closely involved.

Two recent visitors have been told by Mr Deng that "China will not send any one to run Hong Kong, and that Hong Kong could be governed by a resident of the colony "who does not necessarily have to be a Chinese."

But on the question of vital concern to many Hong Kong dwellers — the status of the legal system — Chinese spokesmen have made it clear that, while as much as possible may remain unchanged, some "appropriate revisions" will be required, and that the present right of appeal from the Hong Kong Supreme Court to the Privy Council cannot continue.

Chinese leaders claim to be convinced that Hong Kong's economic prosperity can be ensured with the territory under Chinese sovereignty but given a reasonably loose rein.

It is not clear whether Sir Edward Youde's statement last week that he would represent the people of Hong Kong was a slip, or whether he wished to soothe Hong Kong fears that their views would be neglected. It is widely believed that Britain has found some face-saving way of indicating that it will not maintain its claim

Guardian

12/7/83

Extra Argentine loan

By Colin Brown

Treasury minister, Mr John Moore, yesterday said it was distasteful but necessary for Britain to provide \$150 million in more loans for Argentina before the ending of formal hostilities over the Falkland islands.

Mr Moore, the Economic Secretary to the Treasury, defended the Government's sanctioning of a further \$1,500 million in loans by Western banks. The sum includes 10 per cent from British Banks and is to be paid to the Argentine over five years in an

agreement that was being signed yesterday in New York.

Mr Moore said he could not hide his distaste and the distaste of other MPs at the loans, but it was necessary in the interest of Britain and the world economy that the Argentine should not default.

But Mr Peter Shore, the Shadow Chancellor, sharply criticised the Government for not insisting on the loans being granted only on condition that the Argentine formally ended hostilities and agreed not to use the money for rearmament.

Parliament, page 4.

Hong Kong's 'opportune moment'

The start tomorrow in Peking of a second phase of talks on the future of Hong Kong is being greeted with official optimism. Both Mrs Thatcher and Mr Deng Xiaoping, runs the argument, have won new mandates — at the Chinese National People's Congress and in the British election. Now they can set aside the emotive issue of "sovereignty" and start talking seriously about a transition which will preserve Hong Kong's "prosperity." Not just the hearts but the pockets of the people of Hong Kong (or at least of those making money there) will, in Mr Deng's phrase, be "put at ease."

But the truth is that neither side yet knows whether proper negotiations are really beginning, after the months of shadow-boxing which followed Mrs Thatcher's visit to China last September, or whether serious talks about the future will be confined to back-channel contacts which need not embarrass either side.

The sovereignty issue may have been shelved but it still has to be solved. In September Premier Zhao Ziyang upset Mrs Thatcher by discussing it with British journalists outside the Great Hall of the People — while she was waiting unawares within. Returning through Hong Kong, she retaliated by saying publicly that the old treaties through which Britain secured its colony are still valid. China then insisted that its sovereignty was non-negotiable. Mrs Thatcher now appears to have found a way of admitting this without losing face, or at least of letting the Chinese think she has admitted it while the Foreign Office maintains that Britain has conceded nothing.

The next question is whether the agenda for the new talks will actually deal with all the problems of Hong Kong's econ-

omic and political shape after a settlement over sovereignty. Both the British and the Chinese sides have good reasons for not revealing their objectives. Britain wants to maintain the status quo to the maximum possible extent, and therefore hardly has a complete alternative to offer. The Chinese are also feeling their way, both because it is difficult to work out a practical solution and because their basic negotiating tactic is always to blow hot and cold.

So the hard winter message from Peking about regaining sovereignty before 1997 (when the treaty for the New Territories expires) has been replaced by Mr Zhao Ziyang's more summary suggestion that it could be done "at an opportune moment." The threat to wage class struggle in Hong Kong has been replaced by the pledge to maintain the capitalist system unchanged. But almost unnoticed in the excitement about the new round of talks, China's basic position was re-stated clearly enough when its new representative in Hong Kong (officially the head of the Hong Kong branch of the new China News Agency) Mr Xu Jiatun arrived there on the day of the announcement. Reporting his arrival, the Hong Kong communist paper *Da Gong Bao* explained that "sovereignty and administration rights are inseparable," and it warned Britain not to "lead people astray" by suggesting that China would be content to regain sovereignty while leaving administration in the hands of others.

Mr Xu himself said that he was in favour of "Hong Kong people administering Hong Kong", a phrase which implies a high degree of autonomy for the territory but by local Chinese "compatriots" acceptable to Peking, and definitely not by the British. In recent months, this phrase has acquired a hard rather than soft connotation when used by Chinese officials. The squabble over the credentials of Sir Edward Youde, Governor of Hong Kong, and China's denial of an entry visa to one of his officials, shows just how delicate the basis for the new talks must be. (Sir Edward says he represents the people of Hong Kong; Peking says he is just part of the British delegation.)

Certainly it is the people of Hong Kong

who in this game of diplomatic bluff are wearing the biggest blindfold. Negotiations have to be conducted with proper confidentiality, but the enormous secrecy surrounding the whole issue is excessive. Chinese officials have at least aired their views, although often inconsistently. British officials have done nothing at all to prepare public opinion, least of all in Hong Kong, for the future. The Chinese have now made it clear that they want some sort of settlement by the end of next year, and it will suit Mrs Thatcher electorally to get the awkwardness of giving up a British colony out of the way soon. But both the Chinese and British must reckon with more trouble ahead if the future of Hong Kong remains the secret of their mandarins until the last moment.



Exposed: how Argentine army punished a homesick conscript

THIS was the punishment meted out to Private Nestor Skoumal, a 20-year-old Argentine conscript who briefly left his post during the Falklands war. He was staked to the ground for five hours in near-arctic temperatures writes *Tim McGirk*.

Skoumal was guarding a military oil depot on the Argentine mainland when he saw his father, whom he had not seen for seven months, step out of a taxi near the front gate. Still holding his rifle, he

rushed out and hugged him. For that crime, a lieutenant ordered that Skoumal's arms and legs be bound and staked to the ground. Later, although the temperature at the base, Caleta Olivia, near Argentina's icy southern tip, fell to minus 5 degrees Centigrade that day, he had Skoumal stripped to his underwear.

Even under Argentina's harsh military code, this old Indian torture is

prohibited. So one of Skoumal's friends snapped the photograph with a camera secreted under his jacket. He sent it to the Buenos Aires magazine *Genite*, requesting that his name not be disclosed.

The conservative, usually pro-junta *Genite*, having verified the story with Skoumal and several witnesses, commented: "We don't want to attack the institution of the Armed forces, but the

use of these methods of discipline in the era of the Exocet has left us stunned."

The picture of Skoumal, and the magazine's claim that other soldiers had suffered similar torture, prompted the army commander, General Cristino Nicolalde, to launch an inquiry into how widespread such illegal punishments have become. The investigators have yet to reveal their findings.

'Oxford Star' 9/7/83

OXFORD STAR July 9th 1983

Easybuild win Falklands contract the hard way

AN Oxford building firm taught competitors a lesson when it came to replacing the Goose Green School on the Falklands, blown up by a British shell.

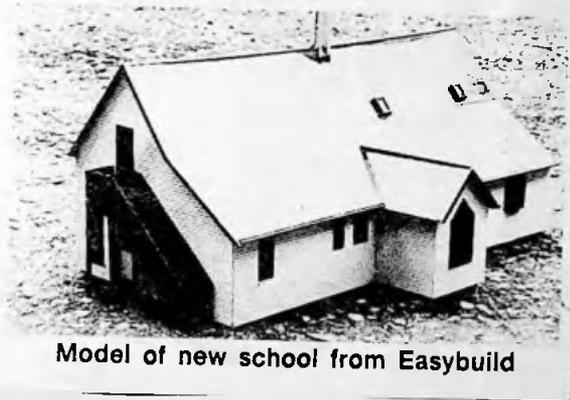
Easybuild Structures, of Beaumont Street, contacted the government and the Falkland Islands Company to offer kits after watching newsreels of the war.

They reckoned their flexible housing could start as barracks and later be turned into cottage homes.

When there was no response, the directors wrote direct to the Prime Minister, Mrs Margaret Thatcher. And they won the first contract, for the school.

Managing director Mr Douglas Stoddart said they adapted their basic Countryman design to give two classrooms with a teacher's flat above.

Mr Stoddart said: "We are convinced that our approach and service is right. We can out-cottage anyone in the business."



Model of new school from Easybuild

'Spectator'

9/7/83

The Belgrano incident

Sir: How does Simon Jenkins (Letters, 2 July) reply to this question: Why was the Foreign Secretary not informed immediately the Prime Minister contemplated sinking the *Belgrano*? After all, Mr Pym was in a negotiating position!

Tam Dalyell

House of Commons,
London SW1

Sir: Those who complain that the *Belgrano* was attacked and sunk whilst clearly on a course for an Argentinian port seem to forget that in March 1941 the *Bismarck* was on course for one of the French ports. True, she was damaged, but prudence was an important factor in the Germans' decision to retrieve her from her Atlantic sortie. She was hunted down not only as an act of vengeance for destroying HMS *Hood* but because, if allowed to gain sanctuary, she would have continued to pose a grave threat to Allied mastery of the sea. If the *Belgrano* had been allowed to regain the mainland, she would have remained a threat to our much more lightly armed and armoured ships in the exclusion zone.

As for the alleged inhumanity of the deed — the death toll would have been negligible if *Belgrano*'s escorts had not left her crew

adrift overnight in their life rafts. I cannot believe that *Conqueror*'s captain would have attacked them, once satisfied that they were engaged in the saving of life.

Colonel S. M. W. Hickey

Pipersmead,
Kings Worthy,
Winchester

Sir: As the CO of a gunboat in World War Two, may I be permitted to make one further comment on the *Belgrano* incident. In war, the top priority is to win. If that can be achieved with minimal or no casualties on your side, so much the better. Effectively locking the Argentine surface war fleet in harbour helped do just that.

To point out errors in a piece of journalism is perfectly reasonable. To then fight the battle in hindsight, as did Paul Rogers (Letters, 18 June), is an exercise suited to naive politicians and schoolboys.

George Scales

Cobblers Pieces,
Abbes Roding,
Ongar, Essex.

'Guardian' 8/7/83

Junta's missile denial

From Jeremy Morgan
in Buenos Aires

Argentina's Defence Minister, Dr Julio Martinez Vivot, has dismissed reports suggesting that Argentina is trying to buy advanced Olomat missiles as a "manoeuvre" orchestrated by British intelligence.

Britain was trying to "open rifts and create antagonisms" between Argentina and its neighbours, said the minister. His remarks coincided with continuing difficulties with Brazil over authorised landings by British military aircraft on Brazilian territory.

Officials say that Argentine representatives recently pressed the Brazilian government to halt the landings because of the damage they might do to relations between the two countries.

Although Dr Martinez Vivot claimed that diplomatic talks with Brazil over the issue had been "very positive" the Argentine Air Force is not expected to send its attache back to Brasilia.

The move will be intended to show Argentina's displeasure at the Brazilian Air Force's "lack of solidarity" in allowing the aircraft to land, sources said.

● Yesterday, President Figueiredo of Brazil told his Argentine counterpart, General Bignone, that Brazil would not let itself be used as a refueling stop for British flights to the Falklands.

MARTIN WAINWRIGHT on more rooms at the airport inn at an island not yet in the sun There's a small hotel with a wishing well...

ONE of the world's up-and-coming hoteliers was in London yesterday, making arrangements for his new 12-bedroom extension. Mr Des King's hotel has only got 17 rooms at the moment but it does boast — and this should give away its whereabouts — a private penguin-viewing hide.

The Upland Goose is both the Hilton and Family Towers of Port Stanley, if only because it is the Falkland Islands' solitary hotel. Competition — a misnomer at the moment in a market saturated with soldiers and officials — is limited to boarding houses.

Mr King, who turns 60 this week, recognises that this commercially pleasant position is not going to last. The Government's decision to build a new airport at Mount Pleasant in the next three years will bring pressure for some rivals to the Goose. Gone are the days of 900-odd visitors a year, mostly ornithologists who had to get used to eating their subjects when Mrs Nannette King served up the eponymous goose in apple sauce. She and her three daughters, all Falklands-born, and Mr King, who emigrated from a Lon-

don commuter existence 32 years ago, acknowledge that life will change.

Hence the 12 bedroom extension — and Mr King's decision to join the Best Western Group of independent hoteliers who subscribe to a centralised booking computer in London. The Goose joins similar oddities in a catalogue of 170 British hotels, including W. S. Gilbert's former home in Harrow and a manor where a Civil War skirmish was fought in the lobby.

"I haven't actually heard of the big hotel groups sniffing about," said Mr King, "but I suspect they might have always felt that the islands have tourist appeal, if only to the sort of people who like to go to faraway places and say: 'I've been there and you haven't'."

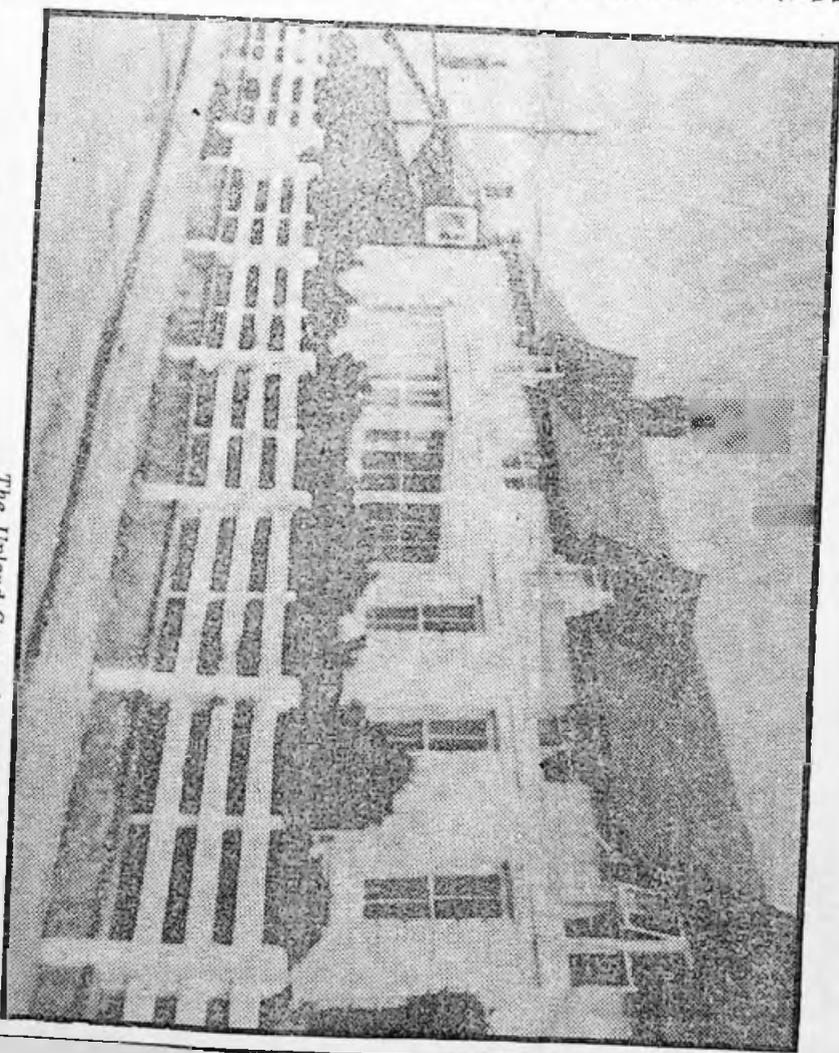
The Goose's traditional trade, built up over 120 years, has died out completely since the Argentine invasion and its aftermath. Mr King used to attract custom by advertising in the South American Handbook, the principle guide for adventurous travellers in the region. Now he no longer bothers. "People couldn't get here

from South America anyway," he said, "although we still get the occasional circumnavigator calling in by yacht."

The Kings see no chance of anything approaching normal relations with the Argentine but discuss the increasing of ties with Uruguay and Brazil. "We want to live with our neighbours in a neighbourly way," said Mr King. But his wife, Falklands-born, added: "I wouldn't want any relationship with Argentina for a long time."

Mr King hopes to leave London with three new staff to help his daughters, two in their mid-twenties and the other 18, to run the hotel. The girls would like to continue the family business (which has shut for the whole of July while the Kings are in London) but are worried about the way island life is going.

Fear of the Argentines is giving way to fear of modern bustle. "I wouldn't want it to change too much to be like..." began 18-year-old Anna. "Like what?" prompted a reporter. "Well," said Anna, pointing out at the traffic crawling along Bayswater Road, "like here."



The Upland Goose: hot and cold running penguins

OTHER PEOPLE'S SUNDAY LUNCH

Cooking your goose in Port Stanley

The Falklands received unexpected publicity thanks to General Galtieri, but as Judith Stares reports, its inhabitants are taking the presence of their military saviours in their naturally hospitable stride



Vi Bonner and Vi Robson with two of 'our boys' on Stanley quayside

Gathered around Vi Bonner's cosy kitchen, there is the persuasive atmosphere of Home Sweet Home, British-style, with familiar roasting smells and splutters from the Rayburn stove, plus the soporific sound of the BBC World Service playing their inimitable Sunday morning selection of golden oldies.

It takes a great will to remember that we have travelled a tortuous 8,000 miles to join this remarkable lady for her Sunday lunch, which she has been preparing the same way, with the same ingredients, for the greater part of her 76 years.

We are in the centre of Port Stanley, capital of the Falklands. Even with the presence of a cathedral, whose clock can be heard chiming in the distance, it would be

difficult to describe Stanley as a city.

Vi and her grandson, Maurice, live in a solid, red-brick Victorian terrace, reassuringly named Jubilee Villas, with a view overlooking the harbour. Until last year there was no reason to suppose that their lives would have ticked along in anything other than the predictable pattern set by previous generations. But thanks to General Galtieri, Vi and her compatriots have had greatness thrust upon them. It is a tribute to their stoicism that they have adapted to the limelight so ungrudgingly.

Our hostess, an indomitable, cheery widow, is bemused that her lifestyle, not to mention her cooking, is the subject of such curiosity, but she gamely agrees to chatter

about old times whilst stirring, basting and whipping up the items she has carefully chosen to represent as a typical menu for the benefit of readers 'back home'. Since she has never received daily papers, never mind Sunday colour supplements, such consideration is doubly charming, and the welcome given to strangers is as warm as that extended to her other guests, whom she lovingly describes as 'our boys'.

Temporary lodger for a four-month tour is Colin Young, a sergeant major in the Royal Military Police, and it says something for the informality of Vi's household that she has also invited his boss, Major Ken Greenland, RMP. Making up the party is her inseparable buddie,

Vi Robson, an equally indomitable 84-year-old, who must miss the morning preparations since she is playing the organ in the cathedral – her weekly task for 60 years.

A crowd for lunch is not unusual at Jubilee Villas, for Vi has a reputation for open house. 'Even before the war I had the Marines here, and the sailors, then there were always the youngsters doing VSO and the visiting teachers. But I've got a soft spot for the soldiers now – it's only natural, isn't it?'

Since her husband died 20 years ago, Vi has had to abandon her isolated life as a shepherd's wife in the wild and remote settlements which are the essence of a Falkland's existence. Sheep farming is the inevitable career for a male islander, who takes a wife from among the local belles and establishes his own family base in the camp, a word derived from the Spanish 'campos', meaning countryside, and used to describe the entire Falklands' area outside Stanley itself.

Vi looks back fondly on amazingly primitive pleasures, even now being enjoyed with similar enthusiasm by her own daughter, Yona, and her family.



Shopping in West Store, Port Stanley, the Harrods of the Falklands

all round, with lodger Colin acting as bar-tender. The elder Vi lives on her own, but shares all the delight in 'our boys'. 'We were just so pleased to see them that we were determined to do everything we could to make them feel at home.'

By this time, the kitchen is too cramped for the cat, who has fled to the peat shed. The photographer is standing on the back of a chair and Vi junior is really getting into the swing of things, whipping up Roselle Complete Instant Topping for the pudding - two pastry flans filled with

assorted tinned fruit, combined with egg custard. 'I can only get fresh cream from Yona, and even that is scarce now because the Argies shot most of the cows,' she apologises.

Reference to the war is without bitterness, and the influx of 'our boys' has obviously been a great compensation to these dear ladies. More resentful memories are held by Maurice, who has made a fleeting appearance after an all-night party called the Grand Slam - an annual knees-up held to celebrate the end of winter.

'I lost my last job because of the Argies,' he complains. 'I used to drive a small bus around Stanley, picking up the old folk and the young children, but they confiscated it. For the rest of the war I did odd jobs and kept my head down. What upset me was that I had been at school with a couple of the Argentine soldiers, but it didn't make any difference to them - they still stuck a gun in my back.'

Maurice has elected to live with his grandmother rather than stay in the camp with his parents and brother. 'There is more going on here. I'm a garage mechanic now, but I can change my job tomorrow if I want.' He refers to the chronic labour shortage which enables many islanders to hold down two or more jobs simultaneously. At the age of 22 he has already owned several Land Rovers, tinkering with each and selling at a profit. His current model is worth £4,000 and every purchase has been cash down. HP is non-existent in the Falklands. The same goes for mortgages. Wages are low, but tidy bulk sums can be earned by healthy lads at sheep-shearing time. It seems unlikely that Maurice will ever know poverty if he remains in his own environment. Ken Greenland is greeted with another round of double gins (duty-free NAAFI

supplies are another compensation), and Vi dexterously places enormous portions of succulent goose on to a dinner service provided by her last grateful guests.

We are instructed to take our laden platters into the front room, where we spread napkins on our knees and tuck in. West Store has turned up trumps with Mateus Rose and Liebfraumilch, though Maurice is inexplicably absent. Ken is exhorted to tackle the spare helping and provides proof that an army major's resistance is no match for Vi's masterly maternal insistence. He gracefully and manfully ploughed through another joint of goose, and it seemed unkind to ask him to contribute to the conversation too.

We try to steer the talk to food, and learn that we could well have been served whale meat, penguins' eggs or oxtail, thereby demolishing one prediction that we would be offered mutton, for sure, though at 18p per pound it's a good way to feed a crowd.

Lunch-time ends at tea-time, since Vi Robson must make ready for her duties at the evening service. We thank our hostess with the hug she deserves and waddle, penguin-style, back to our hotel (coincidentally called the Upland Goose), just in time to cancel our evening meal. **YOU**

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There cannot be many people who, after the Conflict of 1982, do not know where the Falkland Islands are situated and to many they are characterised by the battle scenes shown on the tv screens at that time which, occurring in early Winter, have given the mistaken impression of a poor climate and desolate countryside. The islands, which cover an area almost the size of Wales and comprise two main and about two hundred smaller islands with 15,000 miles of coastline, are located about 400 miles off the East coast of South America and 8,000 miles from the United Kingdom. Much of the land is rolling moorland with unique 'rivers' of angular boulders making a striking impression. Very few trees are seen except in sheltered areas which permit their growth - the strong, fresh winds which blow for much of the year also produce a chill factor, nevertheless there are generally more hours of sunshine and less rainfall than in the majority of areas of the UK.

So when the opportunity was presented to go and work in the Falklands the family and I jumped at the chance to make the journey 'down south'. It meant having to turn down a working expedition to Vietnam but we had no real regrets as I, having now been here for a while, know the right decision was made. I must make it clear that the expats here are those of a Stanley-based community and do not come from the same background as those expats based at Mount Pleasant (MPA) and at Kingman's Point. Turner Diesel (who advertise various motor vehicles in this magazine) and Kelvin Catering of Kelvin Inter-

Continued from page 7 of 1982 and April 1983 - the only way to arrive in the Falklands was by courtesy of the Royal Air Force. You can now fly from Punta Arenas in Chile by Aerovias DAP but this was obviously not to be our route and we flew from Brize Norton, to where we journeyed from our Sussex home using a convenient one-way hire car from Kennings - who offer special rates to Members of FA and kindly gave me a lift back to the airport after I dropped the vehicle at the Oxford depot, having first deposited the family and luggage with the RAF. Kennings will incidentally, meet you at Brize Norton with a hire car for your return journey home. Reception at Brize Norton for a civilian family is good with security tight - sufficiently so to prevent parking outside the terminal to off-load our 360lbs of luggage, so that we had to go to a nearby car park and trolley-in 11 suitcases. That could be one further reason for the thorough medical check my wife and I had to go through before final acceptance for the Falklands! An evening meal, with drinks at the servicemen's (duty free) bar prepared us for the long - and dry - flight in one of the RAF's Tristars which, it has to be admitted, are now showing their age and use on long-haul destinations such as the 2 million miles annual flying of the 'air bridge' between UK and the Falklands. Non-reclining seats and a total absence of in-flight entertainment did not help the 22 hour journey to MPA but I suppose the extended - 5 hour - stop at Ascension Island assisted, with its tropical climate reminiscent of that former happy posting to the Seychelles.

The strong cross-wind which forced the lengthened stay in Ascension had moderated sufficiently at MPA to allow the Tristar to land but was still blowing stiffly as we crossed the apron, heeding the warning to 'hold onto your apparel'. A very crowded terminal baggage hall with the inevitable trolley shortage had to be endured whilst we listened to the compulsory lecture on the danger of mines and other ordnance still lying around, completed immigration cards, struggled to collect all those suitcases, then found our transport and a cheerful Bob Stewart to take us the thirty-five or so miles to Port Stanley on the reasonably good road (so long as you don't exceed the 40mph speed limit) and a bed for the night at the Upland Goose Hotel. A comfortable hostelry with a history which includes the accommodation of seamen off the great sailing ships (the wrecks of some are to be seen in the harbour of Stanley) who slept in bunks around the room now used as the lounge bar. The hotel is currently receiving further refurbishment by owner Bob Fiddes - he stocks a good selection of wines and beers including Fosters on draught.

What were our first impressions? Absolutely no 'culture shock': language (often spoken with a Hampshire accent derived from the early settlers who came from those parts, mixed with those of Australia and New Zealand brought by the shearers), money - but don't take a St Helena or Ascension pound coin into your change as you will find it difficult to pass on because shops will not, knowingly, accept it as legal tender although currency notes from English and even Scottish banks are no problem, drive-on-the-left, radio and tv, education etc all very British. We arrived a little after mid-summer so the long sunny days extending well into the evenings were a joy to experience after the English winter. Yes, sunny days - the Falklands' weather is much-maligned, possibly due to the connection between the indigenous penguins and ice flows, and newcomers, receive many assurances from old hands not to expect too much cold and rain.

Like many before us, we overstocked with thermal clothing which has had little wear but whilst the summers are perhaps not so hot as those in UK, the winters are generally not so cold although they may seem longer. The weather is extre-



A day at the races

mely variable and it is quite possible to have all four seasons in any one day with the possibility of a fall of snow in every month of the year. Watch out for sunburn in the summer months - you can easily overdo it in the clear atmosphere! Some find on arrival, as did I for the first two weeks, that there is some suffering from sniffles and general lung clearance as the body adapts to the crystal-clear air, the cleanliness of which is probably good for potential manufacturers of computer chips and certainly is for many (but not all) asthmatics. Time difference when we arrived was three hours behind GMT but with adjustments here and in the UK due to 'Summertime' this becomes as much as five hours. Local 'Summertime' doesn't happen in Camp (the area outside of Stanley) which can mean reference to several 'local times' at MPA which also has 'Zulu' (or GMT) to consider.

It is frequently emphasised that this is very much a do-it-yourself place in many directions, not least for entertainment. However, whilst this is true of entertaining guests at home, there are 'amusements' available which cater for a diversity of tastes: fairly frequent dances (usually 'discos'), badminton, well-supported winter league of darts, soccer, some rugby, river fishing, rifle and pistol firing, wind-surfing and water-skiing (in wet suits of course!), and what is the fastest-growing sport here: golf.

The Stanley Golf Club, which claims to be the Southern-most club of that sport in the world and has an annual membership fee of just £36, has a fairly rugged course with play the year round supported by between 40 and 50 members. Competitions are held Sunday mornings with over 30 regularly turning up to tee-off at 8.15 and take part in many which are sponsored by local and overseas (UK) companies. A new clubhouse complex has received Government approval and it is hoped to complete the placement together of portable buildings very shortly. Information from the recruitment agents (of which more later) was to say the least 'misleading', advising golf is "played on a rudimentary 18-hole course, which was damaged during the Conflict. Efforts are currently being made to restore it". Not true at all - the course may be a little austere with a fair share of traps for the unwary and the odd dead sheep, but it gives a lot of pleasure to a growing band of enthusiasts led by Club Secretary Alex Smith. It was the former Governor of the Colony (and Club Life President) Sir Rex Hunt who led the restoration of the course after the Conflict - the 18th hole is called Hunts Home. Sir Rex returned for a visit in May 1990 and recounted some of how this was achieved, including the discovery of the 'lost' 7th, when making the presentation for that year of the President's Bowl. Sets of clubs with bag can be hired from the Treasurer, Emma Steen, at 'Emmas' Guest House on Ross Road, and the West Store sells a limited range of clubs, balls, etc but better to bring your own. Leave behind your trolley, though, as nobody uses one and umbrellas will be little raised due to the more than moderate winds that blow. A good waterproof suit and shoes made for the golfer are a very desirable asset not locally available, but members can buy a windproof 'top', bearing the Club's name below the Island's emblem, which is

useful in better playing conditions.

The Stanley Sports Association organises each Christmas a 3-day meeting on the Stanley Race Course at which takes place many horse races also competitive events for the two-legged, all for modest prizes. You can (any many do) bet on the horses with the course Totalisator. This annual meeting, which brings in many families and their horses from Camp, also includes gymkhana events and steer riding, with evening dances at which the prize-giving occurs. A lot of family fun is had and it is well-worth going along.

When writing an article for Home & Away on those other, and more tropical islands - the Seychelles - in 1985, I was able to mention that for those interested there were meetings of Rotarians, Round Tablers and Freemasons held regularly in and around Victoria. No such organisations exist in the Falklands but with a Stanley population of about 1200 (and a further, say, 600 civilians in Camp) then perhaps the 'clubbiness' of these is not felt so necessary. Nevertheless there are membership clubs and these are the Colony, Falkland, Green Beret Association, Falkland Islands Defence Force, and Youth. The First Falkland Islands Scout Group meets regularly on Wednesday evenings in a large hut recently opened by HRH The Duke of Kent and has a thriving membership which now includes our son. Stanley boasts of three churches - the Anglican Christchurch Cathedral (making Stanley a City), St Mary's Catholic Church, and the Tabernacle. At the Cathedral, Canon Gerry Murphy likes to point out that his congregation though appearing to be small is actually larger than the UK - equivalent turnout when related to the population serviced by the local church. There is also a small Bahai community which is mainly American.

As I wrote earlier, you drive on the left although a few imported cars (and some ex-Argentinian forces' vehicles) are left-hand drive. The vast majority of cars are Land Rovers which give the total mobility outside of Stanley should you need it. We bought our very satisfactory second-hand and refurbished Rover 90 from Cyril Groombridge who operates his business from Newick Lane, Heathfield in East Sussex and supplies these vehicles and parts all over the world. The standard of roads in Stanley has improved immeasurably over the past few years so that owning a small saloon (Fiat, Lada, Suzuki and even an Escort) is now practicable if you don't feel the urge to go 'bogging' in Camp, although I would always recommend a 4-wheel drive vehicle for winter motoring around town. Road tax increased by a third from January 1991 so that the annual license fee for a Land Rover is £20 and for heavy vehicles £32. The local driving license (obtainable on production of your full national license from the Police Station) costs £10, and third party fire and theft annual insurance cover (arranged through the F.I.Coy) set us back just over £50. Number plates are obtainable from Falkland Supplies in Hebe Street and cost about £8 the pair. Fuel has increased in price since the start of the Gulf Conflict to 30p per litre for diesel and 40p for petrol, and an interesting statistic given recently was that registered vehicles in Camp and Stanley now outnumber



Land Rover country

people with a total of 2495 which is almost treble that here in 1985. The 'breathalyzer laws' are strictly enforced, however seat-belt wearing is not compulsory - maximum speed in town is limited to 25mph.

Transport between settlements and to and from Stanley, other than by Coastal Shipping and cross-country tracks, is usually by the Falkland Islands Government Air Service who fly two Islander aircraft to some 45 landing strips and to MPA with journeys costing between £16.94 and £31.50 single adult fare. As mentioned earlier, the Chilean firm Aerovias DAP has been endeavouring since their first flight here in April 1990 to establish a regular air-link with the main land. This has, at times, been thwarted by the Argentinians who have refused to permit flights through their air-space - as I discovered when in early November 1990, as part of a Trade delegation, we had to abort plans to return via Punta Arenas and await a diverted RAF Tristar at Montevideo to bring us back to MPA. With the Twin Otter flight of DAP up and running, fares of US\$400 single to and from Punta Arenas are offered which enable a link by LanChile (an excellent carrier, we found during our 2 1/2 week visit to Chile and Uruguay) to Santiago and other South American cities.

The importance of the briefing on mines and other ordnance is brought home as you journey between MPA and Stanley, as well as elsewhere with minefields to left and right of the road.

Fortnightly reports are given on the radio by the Explosive Ordnance Disposal (EOD), who also issue excellent maps of where minefields and other ordnance exist which, they say, are unlikely to be cleared for many years (perhaps in the lifetime of two generations) - at least until technology catches up with the mines made of plastics to be dealt with. The reports detail which items have been found where and by whom, and help to remind the populace of the dangers still to be found outside of the wired-off areas. These findings often include live shells, bullets, projectiles, rocket grenades, rifles etc seen (but definitely not touched!) by walkers in Camp and even gardeners in Stanley. The EOD have dealt with some 2 1/4 million items of ordnance in the Islands and cleared about 230,000 hectares of land of that material.

The radio, as in most island communities, is a most important service. The Government-run Falkland Islands Broadcasting Service, led by Patrick Watts MBE who is well-remembered for his telling the Argentinian soldiers what they could do with their threats when they forced their way into his studio whilst he was broadcasting at the beginning of the Conflict, is augmented for many hours of the day and night by the British Forces Broadcasting Service (BFBS) which is part of The Services Sound & Vision Corporation (SSVC). If you are into 'pop' music then your taste is well-catered for (and over-done if you are a 'middle of the road' music lover, especially on Saturday afternoons when a DJ broadcasting for BFBS presents for about 2 hours what the writer considers a particularly awful programme).

A slogan of the BFBS is 'Keeping you in touch' to which they certainly live-up as almost hourly news bulletins are broadcast from London and carried by the satellite link, as indeed are the latest episodes of 'The Archers'! This, though, may not be entirely to the liking of all expatriates, some of whom would not wish to remain so well-informed about events at home.

The other part of SSVC is the television service - intended only for the forces, but by special dispensation given because of its comparatively tiny population the people of Stanley are able to watch evening showings of BBC and ITV programmes, including the 'soaps' barely 3 weeks behind their UK broadcasts as well as many good films, sport, comedy shows, documentaries, nature studies etc. Once a week a 40 minute news programme ex-BBC gives good coverage of the past weeks' events as well as those which are 'immediate' the previous Saturday when the programme is put together. The afore-mentioned recruitment agents gave no mention of this latter service and stoutly defended their 2 1/2 year old 'notes' as being bang-up-to-date with no changes warranted.

Other areas of unknown information, until we arrived that is, included the existence of a brand-new indoor heated swimming pool in which our son, swimming in his school's first Gala, gained the Best Boy Swimmer award, a bakery, poultry farm for fresh eggs the year round, and a garden centre for seeds, plants etc. An excellent and not too expensive film-processing service started just before we arrived and is in great demand with the abundance of wild-life to be shot - bring, if you come, a good 35mm camera to take advantage of that and the scenery which includes a number of wrecked historic ships.

The continuing presence of the minefields has done nothing, of course, to lighten the Islanders' dislike of the Argentinians and their claim to sovereignty over the Falklands, or the Malvinas as the 'Argies' call them. This outright dislike goes back many years - I recently saw a local paper published in the 70s which included a report criticising a calendar picture of Stanley used by an Argentinian oil company which tried to show the town as part of Argentina. These days, there

is little evidence of the Conflict of 1982 to be seen in Stanley except of course at the Liberation Monument commemorating the end of the Argentinian occupation and which is set in front of the Secretariat. The odd covered-up bullet hole can be seen, ex-army portacabins abound - some clad with white plastic and having a pitched roof added with use as a house, and some circles about a cross with the letters DAP painted in red on stone houses have been almost obliterated. This last was to remove an Argentinian - applied symbol indicating a 'safe house' for the Islanders to use as shelter from the fighting and was painted on the more-substantially built property as distinct from the more usual timber-framed and wood and metal clad house walls which would, of course, offer no resistance to bullets.

It has clearly been the intention to remove from sight as much as possible the result of the Conflict - that episode in the Colony's history can never be forgotten and its deliverance from it will forever be celebrated every 14th June, but there does appear to have been a systematic clean-up to allow a return to normal life as much as possible - Conflict as can be. Whilst on the Conflict, can I recommend the book 'The Conflict' by historian and now Curator of the fine Museum in Stanley: John Smith, who was awarded the MBE in this year's New Year Honours List, and whose '74 Days' tell the story of the invasion as seen through the eyes of the Islanders - a very good read.

Shopping isn't a delight, can be satisfying and seems to be improving although not to say you don't get the sudden stock run-out of, say, fresh fruit which, as all island communities know, is 'coming of age' at the moment. The main shop (West Store) owned and recently refurbished by the Falkland Islands Company, who also run three other retail outlets in Stanley and the fourth at MPA, faces competition from several small shops, including one recently opened and now importing Tesco products whilst another brings in Co-Op lines. A very good selection of beers, wines (European, South American - South African etc) and spirits at export strength are available as is a reasonable range of frozen foods - interesting for we ex-Middle East hands to come across labels partly printed in Arabic and which allow the memory to recall, if little else of that language, how to count! Mutton and beef can be bought direct from farmers - whole sheep for about £12, forequarters of beef for £30 and half a cow will cost you in the region of £70, but the availability of beef in this form is usually limited to the winter months. Apart from these prices, though, food is more expensive than in the UK. Fresh milk can be got from Beckside Farm and is delivered daily at the cost of 43p for a pint sold in a sealed plastic container. Not a great deal of choice to be found in clothing but it is there to be bought, and includes good quality products made from Falkland wool which are also obtainable from the Stanley-located Home Industries shop. Our next-door neighbour is shortly to open a shoe repair shop - a facility unavailable until now and will be in some demand, as will be the dry-cleaning side of his laundry business which John Teggart will be starting soon. A men's barber shop would be an advantage, meanwhile my wife takes care of that for the two men in her life! Arrival of the Tristar is usually followed not long after in Stanley by the sale of daily and Sunday UK newspapers, not many days old but also not cheap: the Sun, for example, costs 75p and the Sunday Times £1.60. Locally, the Penguin News is produced fortnightly and like the weekly-published Teaberry Express is full of local news, gossip and photos and both sell for 50p.

There is no VAT or sales tax on goods sold in the islands, neither is there a Community Charge (or Poll Tax) but Rates (or property taxes) are payable on property in Stanley.

Communication by telephone, telex and fax machine is excellent and reliable, run by Cable & Wireless with a satellite link giving international subscriber dialing. We pay £12 per quarter domestic rental and a 3 minute call to the UK costs £4.50. Postal service is good - no deliveries and a long waiting list for boxes, but your name with an address at which you can be found connecting with a post box soon links you to your incoming mail. New arrivals should have no fear of being unknown for too long and missing mail. Outward airmail rates for letters are 31p for 1/2oz or part thereof, postcards 26p, and large aerogrammes 28p, all of which goes to the UK for further sorting for other (UK and world-wide) destinations. Ships bring in surface mail as well as most imported items - these arrive every few weeks and their frequency has no doubt quite a lot to do with also supplying the MPA garrison.

The shortage of housing is as critical in Stanley as in many other towns and cities. Low-rise apartment blocks have been planned and two of these are under construction; additionally, a number of imported timber-framed and clad prefabricated (or 'kit') houses are being built on serviced plots and there are moves afoot to start local manufacture of these, also to import kit houses from Chile with an uprated specification to cope with the extremes of local weather. House-heating is, we discovered, a 12 month occurrence and there is now a general realisation that higher standards of insulation are needed to cut costs as more people use the more convenient fuel oil rather than free-from-cost peat. It



Holing out - course record 73 (John Buckland-James)

will be sad, though, if the day ever arrives when peat is no longer burned, for its smell in the smoke from the fires is very pleasant.

We have found the schools in Stanley to be excellent. Education is free and being run in parallel with those in the United Kingdom, parents need have no fear about the continuity of tuition. The hatted accommodation of the Senior School will, by June 1992 and in time to celebrate the 10th year of Liberation, be replaced by a new and recently commenced, by the Elgin firm of Gordon Forbes Construction, £10 million building next to the swimming pool which will also provide facilities for others including a library to replace that presently located in the Town Hall and a sports hall to accommodate up to 600 persons. Eating out facilities are improving - you can dine out at 3 or 4 establishments (hotels and restaurants) and with the recently-begun taxi service by Ben Claxton this can be even more pleasurable in view of the breathalyser laws. There is even a fish and chip shop, likely to have its facilities enlarged soon, if your tastes are more simply catered for.

Medical care, at no charge to local residents but who pay National Insurance contributions (mine is £15 per month), is obtained at the King Edward VII Memorial Hospital - now rebuilt after the disastrous fire of April 1984 - which is staffed by both army and civilian doctors and nurses. I had occasion to experience a short stay during last winter shortly before my wife took up a nursing post, and found the care and attention very good. During the fishing season men of many nationalities also receive treatment, for which they or their employers pay, and in the event of more serious cases requiring specialist attention, patients are often medicated to the UK. Prior to departing for the Falklands we were told to have dental and eye checks, a sensible precaution as facilities for treatment in these areas are in great demand by residents of the Islands.

The current world crisis in sales of wool has hit the farming community very hard, and with the early closure of the ill-ex squid fishing last season to preserve stocks there is serious concern being voiced about the economy. However there are strong hopes of oil being struck which, if it is, would bring untold wealth for many locally and, if not controlled sufficiently, chance much of the attractiveness to be found in living here away from the rat-race. New 'planning controls' which may come into operation by March/April 1991 should prevent such mayhem from occurring.

That, then, is how my family and I see the islands. On reflection, I seem to have written little about the rugged and unspoilt beauty of the place, 'where nature is still in charge' which is the Tourism Department's slogan, but we think it marvellous, being often compared to those lovely islands of the Scottish West coast. The people, whether 'kelpers' (born Islanders), settlers, or short-term residents, are extremely friendly and hospitable, displaying a great feeling of self-reliance and independence not too often found elsewhere. If the chance is offered to come South - take it. Like us, you won't regret that decision in your life.

Guardian 7/7/83

Better for Brazil

By Peter Rodgers

The chances of Brazil reaching an agreement with the International Monetary Fund brightened yesterday when the government announced the fourth healthy monthly trade surplus in a row, putting it virtually on target for a promised 1983 surplus of \$6 billion. This now looks the only major economic target agreed with the IMF that is likely to be met.

The June surplus was \$834 million, bringing the six month total to \$2,955 billion. Trade official, Mr Carlos Viacava said that Brazil, which has \$90 billion debts, was well on course for the \$6 billion target and added: "Normally the first half of the year is weaker than the second and also January and February were very weak months."

Elsewhere in the economy, inflation is nearly 120 per cent, and public sector deficit targets have been missed. The IMF is pressing for a partial de-indexation of public sector wages—promised earlier this year—to be actually implemented, but the Brazilians have been digging in their heels.

The IMF has withheld a \$411 million loan, and a delegation is in Brazil now talking to the government.

THERE ARE POLARISED and seemingly irreconcilable views of the future of the Antarctic. Environmental groups, linked by the Greenpeace international organisation, take an absolute view that the great unspoiled and ecologically fragile wilderness of this vast icebound continent is a heritage which must remain unspoiled. To that end, they would wish into existence a United Nations agreement providing protection in perpetuity for the land, ice and seas of Antarctica, and for all forms of life dependent upon them.

The opposing view, assumed to exist but not yet voiced by any nation, is that the mineral resources of this area, like those of any other, must be available to mankind and exploited if and when it seems expedient. The British Government, although stating clearly that it would be "arrogant and impractical" to take any steps which would deprive the world of access to these resources in the future, takes an intermediate position. It argues that, until it is known what resources actually exist in the region, either on land or below the seas, then it is impossible to make any realistic assessment of the situation or any practical proposals for the future. What must be avoided at all costs, they argue, is a breakdown of the system of demilitarised cooperation and control that has operated so successfully under the Antarctic Treaty.

Because it sets aside issues of mineral exploitation and development, together with national sovereignty, concentrating solely on the maintenance of a regime in which fully cooperative research can move forward on a basis of open publication of results, the existing treaty sets a pattern which is unique. But in scientific, let alone commercial terms, there is a sharp cut-off in cooperative possibilities when investigations seek sensitive information.

The goals of the meeting of the Antarctic Treaty nations in Bonn are not so much those of "opening up the continent" to the exploiters but of trying to hammer out a new regime which, under controls as stringent as those currently achieved for marine exploitation, will allow access for a more systematic investigation of the continent's mineral resources than is currently possible. The so-called Beby proposal — drawn up by the New Zealand diplomat Mr Chris Beby who served as chairman of the last treaty nations meeting and whose draft proposal must be taken as indicating the direction in which things are moving — would set up a Minerals Regime to which anyone could apply under sponsorship from a treaty nation for permission to explore for specific minerals.

With the Japan National Oil Corporation already sounding areas close to the limits of the pack ice and major commercial organisations, such as BP, setting up departments for Antarctic mineral assessment, the negotiation of a regime for proper control would seem to be a matter of urgency. To be sure the Japanese seismic work is being carried out as a scientific exercise, although its intention is obvious. Some of the data have been published although, technically speaking, the Japanese survey is "on the high seas" and therefore outside the treaty.

The Antarctic Treaty, in its present form, can come up

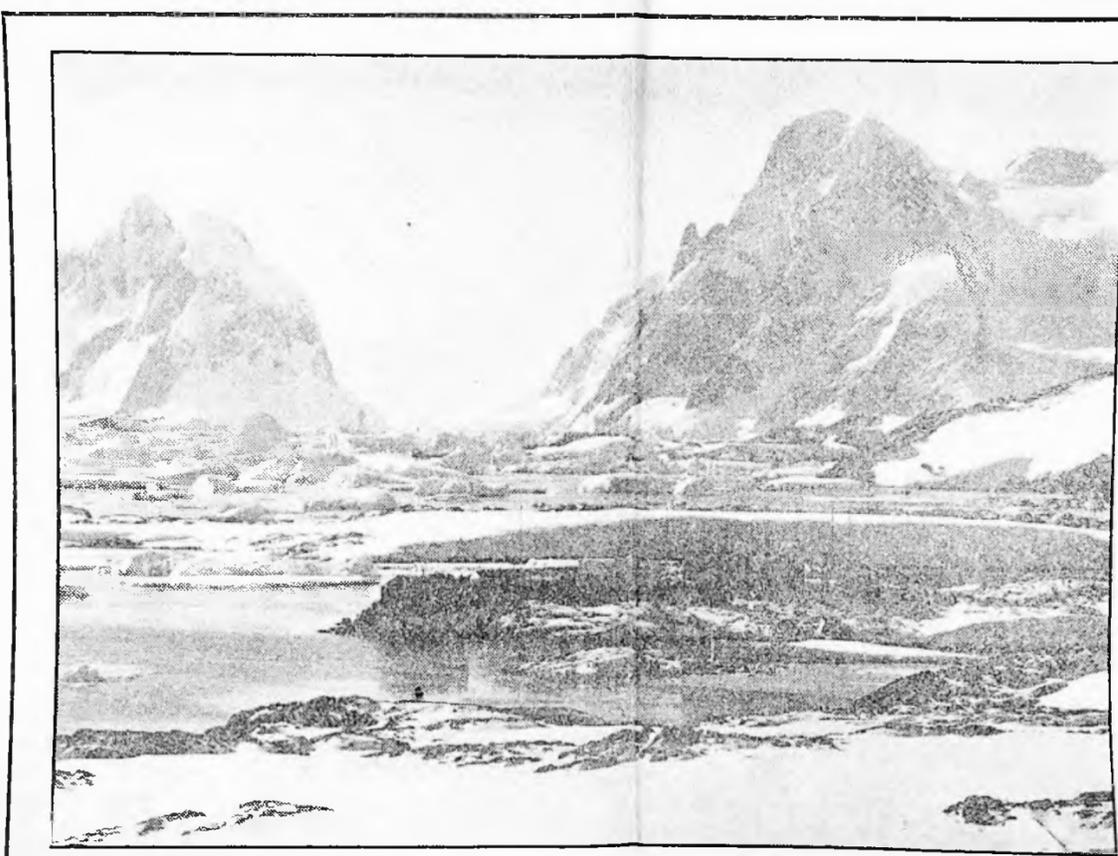
for review in 1991 and the hope is that, before then, the new and additional minerals regime will be in place and operating. Scientists engaged in existing research programmes — which cover the complete spectrum from ionospheric and climatic investigations, through land and marine biology to glaciology, geology and geophysics, — consistently point out that environmentalists' fears are running far far ahead of reality. The environmentalists, pointing to the history of commercial — environmental degradation, argue that they must keep ahead of the game or the inheritance will most certainly be lost.

The great icy expanses of the Southern Ocean are central to the survival of vast numbers of seabirds, seals and marine species whose interdependence and sensitivity — in an ecological sense — is not yet fully elucidated. Hence the insistence of the Antarctic Treaty nations on a convention based on ecological principles for the monitoring and control of commercial exploitation of marine resources such as krill — the shrimp-like food of the great whales — now being taken by Russia and Japan. But the krill were seen to exist as a large renewable resource accessible by existing techniques; there are no comparable resources visible on the continent.

Indeed, only 1 per cent of the continent is visible at all. The remainder sits under a slowly moving ice sheet which averages about 2,500 metres in depth. With the exception of a few areas of stability, known as ice rises, this ice sheet is a formidable barrier to investigation of geological resources. Although there are now almost 50 research stations dotted on and around the continent (the number actually occupied and in use varies from season to season but there are 24 ringing the Weddell Sea to the south of the Falklands, including British stations on the South Orkney Islands (Signy), on the Brunt Ice Shelf (Halley) and on the Antarctic Peninsula (Faraday, Rothera and Fossil Bluff), the amount of field work so far carried out and which is directly relevant to prospecting is almost zero, although all geological information is useful.

Scientists of the British Antarctic Survey, which began life as a second world war naval operation, became a scientific operation as the Falkland Islands Dependencies Survey, and blossomed into its present form under the Treaty, say flatly that the present debate about the great resources of the Antarctic is based largely on speculations. There is in any case at least a tenfold increase in costs between carrying out a routine scientific survey and carrying out a survey of use in prospecting. There is then at least another tenfold increase in costs in attempting to prove the existence of a resource.

Existing maps which purport to show resources, principally drawn up by the US Geological Survey and by the CIA, indicate large areas where hydrocarbons might be found, some areas in the Transantarctic Mountains where coal can be found (and which have been known for about 80 years) and various dotted areas indicating a whole range of minerals including platinum, gold, silver, nickel, and many others. But such maps are grossly misleading because,



The Faraday geophysical observatory in the Argentine Islands, off the Antarctic Peninsula's west coast

Amid growing protests, the Antarctic Treaty nations meet in Bonn on Monday to discuss the establishment of a regime which would permit commercial exploitation of minerals in Antarctica. Anthony Tucker reports.

Keeping the goods on ice

with the exception of the iron ore deposit in the Prince Charles Mountains — and the world is not in any way short of iron ore — the other minerals are indicated mostly on the basis of their presence as traces in routine rock analysis. Whether there is any real enrichment in the localities and the extent of enrichment — if it exists — are simply not known. Hydrocarbons are simply hypothesised from the existence of sedimentary basins on continental shelves.

IT FOLLOWS that the notion of some kind of gold rush into the very hostile and costly environment of the ice

sheets — where one of the greatest shortages, oddly, is water, a resource crucial in prospecting and extraction — is currently misplaced. Existing US estimates of extraction costs in these conditions are so high that they preclude the working of even large (hypothetical) gold deposits. To what extent this kind of cost estimate is designed to divert attention from commercial possibilities it is impossible to judge, but those who have the greatest knowledge of working and living under Antarctic conditions — the scientists who spend a large part of their working lives there — believe that exploitation costs



ANTARCTIC Treaty nations claiming sovereign territory: Argentina, Australia, Chile, France, New Zealand, Norway, Britain. — ACTIVE Antarctic Treaty nations with no claim to territory: Belgium, West Germany, Japan, Poland, South Africa, US, USSR. (The US and USSR have adopted the clear position of not recognising any territorial claims in Antarctica).

will prove to be a significant protective barrier.

It is currently argued that the only mineral resources likely to be commercially attractive in the foreseeable future would be large oil and gas fields outside the limits of permanent pack ice — precisely where Japan is carrying out her survey. Nothing in the present treaty requires Japan to provide technical information from research carried out on the high seas although the trend towards a minerals regime, imply that she should do this.

There is a view, of great importance in assessing the

long-term resources policy of nations, that the pursuit of ever-more inaccessible and costly non-renewable supplies (whether of hydrocarbons or other minerals) is bad because it defers the essential transition to renewable and recycled resources. There is an intermediate view that, in the case of the hydrocarbons, the notion of ever more costly extraction simply to burn the product and thus destroy a valuable chemical feedstock, is plumb potty. And there is also an optimistic view which has no scientific basis but which is common among diplomats, that in some way new techniques, and an increase in recy-

clad minerals, will take a lot of the pressure out of the drive of the industrialised nations for new sources of minerals.

But the hard reality of the moment is that Japan and many other nations, would like a few oilfields to exploit in the good old-fashioned profit-gate way, and if they can get them they will. And, in the Antarctic or on its periphery, the extraction of oil (the industry's term "production" is not strictly accurate) would offer environmental threats whose time-base would be far longer than in warmer parts of the world. Since the threat is largely to the marine ecosystem, which underpins the life of the continent, this is a matter of great consequence.

It is precisely with the intention of stepping up scientific investigation of the biological systems, the ice conditions, and of providing the information for realistic impact assessments, that Britain, the US and the USSR have all recently increased their support for scientific research in Antarctica. In round figures the money available for the British Antarctic Survey will increase from \$6 millions to £10 millions this year and will rise again next year. The new Halley station buildings will be occupied by early 1984.

Although British scientists rub shoulders with their Argentinian colleagues on neighbouring stations around the Weddell Sea, it would be naive to believe that the increase in support for the scientific survey is not in some way linked with the need for a higher profile in the Southern Ocean as a result of the Falklands conflict. But the fact is that the increased expenditure, like the increased research by other nations who have invested substantial resources and effort in the Antarctic over the past 40 or 50 years, is aimed at the provision of information that will be crucial to the control of prospecting and exploitation.

The questions, then, about the future of the Antarctic, are these. Should this great and beautiful wilderness be protected against all commercial mineral exploitation whatever it contains and whatever the world's needs turn out to be? If so, how could such an end be achieved — if it could be achieved at all — and how could it be initiated before it is known what is actually there? If there is nothing worthwhile there, and that could be the case for the most part, such an end would be much easier to reach.

Or should those nations with the greatest expertise and the largest historical investment in investigating and protecting the continent, be allowed to hammer out a regime which is practical, acceptable to the world, non-exclusive but highly protective? The third alternative, that over the years and through the hurly-burly of the United Nations, a parallel battle to the Law of the Sea should be fought to create a Law of the Antarctic, implies such a massive degradation of stewardship and such a sharp revival of sovereign conflicts, that it strikes terror into the hearts of those who know and care about this great continent.

This is not to say that the Beby proposals, giving the control of exploitation to the Antarctic Treaty nations (which may soon include

China although the accession of India is now in doubt), are acceptable. There are too few clear provisions for environmental protection information, for monitoring, and too great a dependency of the system on the return of revenue from exploitation. There appear to be inadequate safeguards for the continuance of international research programmes, for information exchange and for site monitoring. Clear lines are not drawn between exploration, prospecting and development and, although there would be an overall view taken by a scientific committee, there needs to be a clear line of command giving real power to the protective voices.

Those involved in the Bonn discussions will undoubtedly comment that all this — and many other matters, such as whether the regime should have absolute power to prevent any particular development — are exactly the kind of thing to be hammered out behind closed doors in Bonn. But the critics remain unconvinced. The drift, the intended trend, of the treaty nations, presumes exploitation, and this is improper because a decision whether or not to exploit should involve all nations, they argue. This, say the treaty nations, is something which the UN must discuss. But in the meantime, and to ensure that the Antarctic has an informed and organised regime capable of assessing anyone's proposals for prospecting, then those already involved must as a matter of urgency reach a protective agreement. What is more they must find an agreement which excludes no nation but allows no military intrusion. It is hard to follow the logic of such a goal.

REFERENCES AND NOTES: existing studies of the impact of exploitation in the Antarctic include: Zumberge J. II.: Possible Environmental Effects of Mineral Exploration and Exploitation in Antarctica: Scientific Committee on Antarctic Research, Cambridge, 1979.

Oil and Other Minerals in the Antarctic: environmental implications: M. W. Holdgate and Jon Tinker — a report of a Rockefeller Foundation workshop, Scott-Polar Research Institute 1979.

The Convention on the Conservation of Antarctic Marine Living Resources, which has been described as the most advanced convention ever achieved because it is based directly on ecological monitoring, was published in the Polar Record, Vol. 20, No. 127, 1981. The same issue of the Polar Record also includes a commentary on the convention by two of the negotiators, David M. Edwards and John A. Heap of the Foreign and Commonwealth Office.

For geographical details and a commentary on the problems of exploration see: The Polar Regions Atlas: Central Intelligence Agency, Washington DC: available from the US Government Printing Office: Reference No. GC 78-10040: May 1978 with later editions.

It is not generally realised that the Antarctic Treaty merely comes into the period in which it may be reviewed in 1991, not to a point at which it requires renewal. The Minerals Regime would be an addition not necessarily a substitute for the existing treaty.

'Daily Mail'

7/7/83

(?)

Facing up to a Falklands turn off

I do not wish to appear a secessionist, but I wonder — and it's just wonder not reachery, you understand — whether television has now done more than its bit on the Falklands affair.

During the conflict, TV was superb, correctly keeping the worried nearest and dearest back home up to date with developments.

Then, when the Ministry of Defence finally permitted their release, came the whole Falklands story, week after week of showing just what did horrifically happen.

And now it goes on still. Well-meaning and moving programmes have shown how the maimed cope now and recently Sarah Kennedy hosted a Channel Four documentary that looked at the experience of the women who waited and fretted.

And now, after the fact, comes the fiction. A play tonight — *The Waiting War* (BBC2, 9.30) — is a drama based on the experiences of three Navy families in Portsmouth waiting while their husbands served on H.M.S. Sheffield.

Perhaps this is the true stuff of

the tragedy of the human condition watching young mothers trying to adjust to their worst fears. I don't know. But I do know that, regrettably perhaps, apathy over the entire affair — or at least the TV continued coverage of it — has now set in in one home at least.

D. Telegraph ' 7/7/83

£624m bill for garrison on Falklands

By *JAMES WIGHTMAN Political Correspondent*

A BUDGET of £624 million to maintain the garrison on the Falklands was at the fore of the defence estimates for 1983-84 which yesterday increased the Government's military spending in real terms for the fifth successive year despite the economic recession.

The budget for this financial year totals £15,973 million on a 10 per cent. increase on the 1982-83 cash limit. The White Paper giving the latest estimates said lessons learned from the Falklands and later recovery were being applied in the flexibility, mobility and readiness of forces.

But it was emphasised that the Ministry of Defence continued to regard Russia as the main military threat.

The White Paper declared: "We must plan our defences on the world as it exists, not as we would wish it to be. We cannot afford policies based on emotion rather than logic, nor theatrical gestures which would achieve nothing save to weaken our own security.

"The key to our continued peace and freedom remains, as it has done for over three decades, our membership of

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the North Atlantic Alliance and the collective determination of the allies to prevent war in Europe by a policy of deterrence."

Sensitive to the continuing opposition from the Campaign for Nuclear Disarmament, the Government went to some lengths to explain its nuclear strategy based on the deployment of Cruise missiles later this year and the replacement of Polaris by Trident as the independent deterrent in the 1990s.

The costs showed an increase in real terms of about 19 per cent. over expenditure in 1978-9 when the Conservatives returned to office. They made Britain the second largest

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Continued from P1

By JAMES WIGHTMAN

£624m Falklands' bill

defence-spender in Nato behind the United States.

Justifying the costs, Mr Heseltine, Defence Secretary, said it was the Government's first duty and priority to guarantee the defence of the nation.

He added: "If you cannot guarantee that, there is no point in discussing whether you can afford more homes and hospitals."

"The Soviet Union has been spending something like three times as much as we do on defence in terms of a percentage of gross domestic product. That is where the threat lies."

Steady as she goes

Presenting his first Defence White Paper, Mr Heseltine projected it as a "steady as she goes" continuation of the policies of his predecessor, Sir John Nott, who was Defence Secretary at the time of the Falklands conflict but who later retired from politics.

But the continuing rise in defence costs was condemned by Labour and SDP spokesmen.

Mr John Silkin, Labour's shadow Defence Secretary, said in a statement: "The White Paper proves that Labour was right when we said in the election that the country could not afford Trident and a conventional defence policy."

"Heseltine is fiddling with figures and claiming that the cost of Trident has gone down since 1981 when everybody knows that there has been inflation in the past two years and the value of the pound against the dollar has decreased by about 40 per cent."

In addition, all reputable defence experts know he is underestimating the cost of 'Fortress Falklands'."

Dr David Owen, the SDP leader, said that the worrying aspect of the White Paper was that it showed Britain spending more of its gross domestic product on defence than its European partners whose economic performances were so much better.

He added: "Unless we can improve our economic performance as a nation as a whole, it is hard to see us being able to sustain the long-term defence expenditure levels."

Summer debate

The White Paper, which will be debated by MPs perhaps before the Summer recess at the end of this month, restated the Government's commitment to defending the Falklands against another Argentine attack.

But, after detailing some lessons learned from the Falklands episode, it made clear that the central plank of the defence strategy, both conventional and nuclear, would remain the same.

The White Paper, which was largely as expected, said that Nato must maintain enough forces to convince the Soviet leadership they would have nothing to gain from an attack on the West.

A large part of it was devoted to the politically controversial Government decisions to deploy American Cruise missiles in Britain by the end of this year unless Russia makes concessions in arms limitation talks in Geneva. The paper said:

"Of the total planned programme of 572 missiles 160 Cruise missiles are planned to be stationed at two bases in Britain: RAF Greenham Common and RAF Molesworth. It should be emphasised that these deployments are not irreversible:

Strict security

If, for instance, the Soviet Union agreed to the 'zero option' after the first Cruise missiles had arrived in the United Kingdom, they would then be removed.

"Construction work at RAF Greenham Common of those facilities necessary for the deployment of the first missiles is well under way.

"Work on the base will continue for about the next three years during which time all operational and administrative facilities for the 2,000 or so personnel who will eventually work there will be completed.

"Missiles are not due to arrive at RAF Molesworth for several years and construction work there has not yet started.

"The missiles, together with their launch vehicles, will be stored at their bases in specially built shelters and

strict security precautions will be taken to protect them against attacks by saboteurs or terrorists.

"The United Kingdom will contribute RAF Regiment and RAF Police to the joint US/UK defence force.

"From time to time it will be necessary for Cruise missile units to exercise their capability to deploy off-base, as they would in a period of tension or war.

"Peacetime training will normally be conducted on Ministry of Defence land and will be arranged to cause the least inconvenience to the public.

"Live missiles and warheads will not be used during training exercises."

Although there is no "dual key" arrangements for the missiles the White Paper says that the Government is satisfied with the arrangements which have governed the use of American nuclear weapon systems on British bases since 1951 when an understanding was reached between Mr Atlee and President Truman.

Following a review (between Mrs Thatcher and President Reagan), it states:

"We are satisfied that the arrangements are effective for the Cruise missiles whether on or off bases.

"The effect of the understandings and the arrangements for implementing them is that no nuclear weapons would be fired or launched from British territory without the agreement of the British Prime Minister."

Trident 'the best'

On the Trident submarine-based nuclear missiles, to which the Opposition parties are opposed and which some Conservative MPs consider to be too expensive a system, the Government says:

"Our view remains that it is the best replacement for Polaris and that no equivalent spending on conventional weapons could possibly have the same value in preventing war or offer a better assurance for the long term."

Despite Opposition claims to the contrary, the Government insists:

"There has been no change in the estimated cost of the Trident D5 system since last year other than for the savings resulting from the decision to use the US missile processing facilities and general inflation and exchange rate facilities.

At average 1982-85 prices, the estimate is approximately £7½ billion. About 45 per cent. would be spent in the USA and hence the recent fall in the exchange rate, if sustained throughout the life of the project, would result in increased costs."

The Chevaline system which entered operational service last summer and the fitting of new motors to the Polaris missiles would "ensure the continued effectiveness of our present strategic deterrent until Trident enters service in the 1990s."

Thatcher's pride

The pride of the Government, especially the Prime Minister, in increasing defence spending in real terms (above the rate of inflation), is evident in the White Paper which states:

"Despite economic problems we have increased defence spending every year since taking office. Defence is now the second largest public expenditure programme (after health and social services).

"On the basis of average market exchange rates, defence spending by the United Kingdom was higher in 1982 in absolute terms than any other major European ally; it was also higher per capita and as a proportion of gross domestic product.

"We remain committed to plan to implement in full the Nato target of three per cent. real growth in defence spending each year until 1985-86.

As was disclosed in THE DAILY TELEGRAPH last Friday, Ministers are now considering whether the Nato commitment to increase defence spending by three per cent. a year in real terms annually should be extended after the agreed period ends in 1985-86.

Some Nato allies have not matched Britain's record under this Government and some Ministers are saying that the commitment should not be renewed after 1986, unless economic growth improves considerably.

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'D. Telegraph' 7/7/83

1907 and 1908 by two ...
squadrons

Telegraph
**BRITISH FARM
ANIMALS FOR
FALKLANDS**

Grooms and vets accompanied
by hundreds of sheep, pigs,
ponies, poultry, dogs and other
livestock are to sail for the
Falklands from Britain in
September.

Many farm animals, notably
sheep, were lost during the
fighting and Mr Adrian Monk,
a member of the Falklands local
administration, has been in
Britain to restock 19 farms on
East Falkland and 14 on West
Falkland.

A herd of cows will be
shipped out early next year to
ease the acute shortage of fresh
milk.

NATO 3 pc INCREASE ON TARGET

By Maj-Gen Edward Fursdon
Defence Correspondent

THE Government's 1983 Defence White Paper, published yesterday, contained no surprises. Rather it was an educative document presenting the key arguments, assessments and information base from which its continuing current defence policy is derived.

Defence is budgeted to cost £15,973 million for 1983-84, which includes £624 million to meet Falklands costs.

This figure is an increase in real terms of 19 per cent. over the 1978-79 expenditure. The Nato target of a continuing annual three per cent. real increase in defence spending will be achieved.

Main tasks

In essence membership of Nato remains the cornerstone of British defence policy. This translates into continued maintenance of the previous four main roles:

Provision of independent strategic and theatre nuclear forces committed to the Alliance;

Direct defence of the United Kingdom homeland;

A major land and air contribution on the European mainland;

Deployment of a major maritime capability in the Eastern Atlantic and the Channel.

The Trident D5 programme goes ahead—at a latest estimated total cost of £7,500 million of which 45 per cent. will be spent in America. Work at RAF Greenham Common preparing for the first Cruise missiles "is well under way."

Some 2,000 personnel will eventually be involved—including the RAF Regiment and RAF Police—and training exercise deployments outside

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NATO INCREASE

By Maj-Gen Edward Fursdon
Continued from Page One

the base, but not with live missiles, will take place.

Lessons derived from the Falklands, about flexibility, mobility, and readiness of forces, are being applied and are also reflected in the wide spectrum of improvements to the equipment listed for all three Services.

But announcements regarding the latter really contain nothing new: rather they are the consolidation and updating of statements previously made.

Soviet threat

The major threat presented to Britain's security is the Soviet Union and its Warsaw Pact allies.

"The overall picture remains of an unrelenting Soviet build up in nuclear and conventional capability," the White Paper says.

Certainly its pages of illustrated tables show that the Soviet Union is numerically superior to Nato in every major weapons system save that of strategic bombers and of surface ships of frigate size and upwards.

"The message to the West is clear" it states. "The Soviet Union continues to maintain massive military forces in Europe, both conventional and nuclear, well in excess of those required for its own defence."

Despite the change of leadership, the Government sees no real change in Soviet attitudes. The British aim however is still to try very hard to gain agreement on the limitations and reduction of arms. But "experience shows we cannot achieve successful arms control from a position of substantial inferiority."

Opportunity is taken in the several background essays to present the counter-arguments to the publicly debated alternatives to current British nuclear policy.

These include proposals for a nuclear freeze, no first use of nuclear weapons, nuclear weapon free zones, and unilateral nuclear disarmament coupled with an inevitable withdrawal from Nato.

"In practice the creation of any sort of nuclear-free zone in Europe would be of little military value, and would create a quite false impression of enhanced security," the White Paper concludes.

"Without our membership of Nato and without nuclear weapons, we would be virtually defenceless against Soviet threats. We would have abrogated our first duty to safeguard the peace and freedom of the nation."

Overseas garrisons

Activities outside the NATO area will be maintained with garrisons in such places as Cyprus, Hong Kong, the Falklands and Belize.

The White Paper reveals that the estimated total cost of the Army's share of garrisoning the Falklands in 1983/84 is £105 million, and that the cost of guided weapons and missiles imported in the Falklands War 1982 year doubled to £108 million.

Peacekeeping operations such as now undertaken in Sinai, Lebanon and Cyprus will continue. Loan service and seconded servicemen, together with training teams and defence sales assistance to overseas countries will go on being provided.

The Soviet Union, incidentally, now has 15,000 military "advisers" in 51 countries. Receipts for British defence sales to come in 1983/84 are estimated at £2,400 million.

At home, an instance of Service aid to the civilian community was the 4,000 incidents in mainland Britain dealt with by the Army's bomb disposal teams; and in Northern Ireland they successfully recovered nearly six tons of explosives.

White Paper details—P6
Editorial Comment—P18

D. Telegraph

7/7/83

'Construction News' 7/7/83

Falklands airport trio seek UK headquarters

WITH confirmation of an award to the Laing/Mowlem/Amey Roadstone Construction of a £215 million contract for construction of the Falkland Islands airport, the group is now seeking a headquarters building in the UK to co-ordinate the project and handle staffing arrangements.

Surbiton in Surrey has emerged as the most likely venue for the building, being close to client the Property Services Agency. Until then staff vacancies and appointments are being handled

by the three firms own offices.

The PSA has said that construction will start on the airport with the aim of having a runway in use by April 1985.

But, one question which still remains unclear is the amount of materials and plant likely to be bought from outside the UK. However, both the government and Amey Roadstone Construction have said that all materials, plant and equipment will be bought in the UK unless this is impractical or uneconomic.

'Times' 7/7/83

THE TIMES THURSDAY JULY 7 1983



Falklands bound: Men of the King's Own Royal Border Regiment going through their paces at Catterick Camp, North Yorkshire, yesterday before embarking on a tour of duty in the Falkland Islands. Senior officers believe that the hardy Falkland ponies

may prove an alternative transport for patrol duties in isolated outposts around the island. A spokesman said: "When the conflict was on there were only 20 miles of real road on the islands and chopper rides were in short supply. Anything that can give us an

edge has to be a good thing" Many of the men, recruited from Cumbria and north Lancashire, come from rural backgrounds. The unit, unofficially dubbed "the King's Cavalry", includes a former amateur jockey and farmers' son.

'Times' 7/7/83

TIMES 7 July 83

Argentine governor quits over police revolt

From Andrew Thompson
Buenos Aires

General Antonio Merlo has been forced to resign as Governor of the province of Tucumán in northern Argentina or failing to handle a police rebellion there.

The retired general, who was president of the official body which organized the 1978 football World Cup in Buenos Aires, was called to the capital on Monday.

After talks with Major-General Llamil Reston, the Interior Minister, and President Reynaldo Bignone, he announced he had resigned because he realized he had become an "element of conflict" in the provincial crises.

Units of the Army's 5th Infantry Brigade were moving into the province to enforce order. Most of the provincial police continued on strike, with more than 1,000 officers occupying the central police station to back their wage demands. The conflict seems to be spreading, too, with the announcement that prison officers in the province are preparing to join the strike.

The general's fate was virtually sealed after an incident on Sunday, when he drove his car through a police demonstration and emerged, pistol in hand, to threaten the striking officers.

The incident nearly turned into a gun battle. A local judge is considering whether to bring charges against the general for "abuse of a firearm, abuse of authority, and threatening behaviour".

Efforts to resolve the dispute between the police and the provincial government failed on Monday. The police are demanding an immediate wage increase, free uniforms and shoes, and shorter working hours.

There were confused scenes when Lieutenant-Colonel Manuel Eguinazu, the local police chief, accompanied by some loyal officers, tried to force a group of rebel policemen to identify themselves.

The confrontation degenerated into fist fights. The police chief was forced to withdraw. Six patrol cars carrying intelligence officers, sent to identify the ringleaders, were also attacked by the strikers and forced to withdraw.

Preliminary talks on the dispute have led to a government offer to increase provincial police pay to 88 per cent of the wages paid to the federal police.

D. Telegraph 6/7/83

BRITISH FARM ANIMALS FOR FALKLANDS

Grooms and vets accompanied by hundreds of sheep, pigs, ponies, poultry, dogs and other livestock are to sail for the Falklands from Britain in September.

Many farm animals, notably sheep, were lost during the fighting and Mr Adrian Monk, a member of the Falklands local administration, has been in Britain to restock 19 farms on East Falkland and 14 on West Falkland.

A herd of cows will be shipped out early next year to ease the acute shortage of fresh milk.

'Guardian' 5/7/83

Galtieri vetoed counter attack

From Jeremy Morgan
in Buenos Aires

Argentina's commander in the Falklands, General Mario Benjamin Menendez, planned to counterattack advancing British forces during the closing stages of last year's war in the south Atlantic.

But his plan was rejected by senior officers in Buenos Aires, including General Galtieri—then commander of the army and President—according to the newspaper, *Tiempo Argentino*.

Quoting a forthcoming article by a retired general, the paper said that the plan called for air, sea, and ground strikes against British positions at Darwin and San Carlos Bay, followed by an attack out of Port Stanley, where General Menendez had stationed most of his troops.

The plan was put to the Buenos Aires command by General Americo Daher on June 9 five days before Argentina's forces surrendered.

General Daher, led the landing on the islands in April but was later appointed Falklands chief of staff after a squabble with another general about command of ground troops. Up to now he was said to have asked for little more than "warm underwear for he troops" during a sudden visit to the capital.

But the latest version suggests that he took a complete attack plan designed to preempt the final assault which General Menendez said the British would launch on June 12.

General Galtieri and senior military planners rejected the plan as too costly for "various naval and aviation units which would be needed for the final battle." They thought the British attack would not come until June 20, after the failure to land at Pleasant Bay, the newspaper said.

Launched with evidently considerable funds behind it last year, *Tiempo Argentino* is suspected of having close links with the army.

Its reports were seen as a defence of General Menendez, who has always maintained that he took the right decision to save his troops and surrender against General Galtieri's orders.

Some recently written history of the war has put most of the blame for defeat with the already disgraced General Galtieri.

The press has already published details of a report on the war by a commission of senior officers, who have condemned the former leader.

He was attacked last week by *La Razon*, another newspaper connected with the army, in an article concluding that the former United States Secretary of State, Mr Haig, came close to averting armed confrontation during his attempted mediation between Britain and Argentina as the crisis escalated.

In an apparent attempt to rebuild bridges, with Washington after a year of recrimination against United States support for Britain during the war, the article confirmed that Argentine troops began to land on the Falklands on the night of April 1. When the crisis was still under discussion at the United Nations. Until now, the armed forces have always said the landing took place the next day.

'Guardian' 5/7/83

OVERSEAS NEWS

Governor begins London talks
on China's claim to colony

Hong Kong shares rally after pledge by Thatcher

By Patrick Keatley,
Diplomatic Correspondent

A wave of cautious optimism in Hong Kong yesterday sent the index of share prices up by more than 5 per cent, as Mrs Thatcher prepared to receive the delegation to London led by the Governor, Sir Edward Youde.

With the Prime Minister at Downing Street was the Foreign Secretary, Sir Geoffrey Howe, who had earlier held detailed talks with the Hong Kong group for an hour at the Foreign Office.

British concern centres on the main treaty with China which expires in 1997, and is regarded as invalid by Peking.

The delegation is made up of all nine unofficial members of the Governor's Executive Council. They are leading figures in business and industry who are invited to serve by the Governor, and are not elected.

The Prime Minister chose yesterday to issue a written answer to a parliamentary question, intended to give a measure of reassurance to financial markets here and in Hong Kong. In reply to an inquiry about whether there would be consultation with the people of Hong Kong, linked with the new round of negotiation with China which gets under way in Peking a week from today, Mrs Thatcher said: "The views of the people of Hong Kong will continue to be taken fully into account at all stages."

She reminded MPs of the existing system of consultation in the colony, adding: "Groups and individuals regularly make their views known to the Hong Kong Government directly, or through channels such as the district boards."

The device chosen by the Prime Minister is in itself significant. The timing of her reply was of her choosing, and she chose to make it coincide with the start of the London consultations, clearly in hopes of steadying public opinion in the colony.

Had Mrs Thatcher decided to take it as an oral question, it would have had to wait until this afternoon's question time. But by that time, the second and final day of the present London talks would be over.

The cautious confidence in Hong Kong was reflected in the sharp rise in the Hang Seng index, which gained just over 52 points, to close at 1,036. Last December, when a wave of anxiety swept the financial markets, the index fell to 676 points.

Today's schedule in Whitehall calls for detailed talks chaired by the Minister of State, Mr Richard Luce, accompanied by Mr Alan Donald, Assistant Under-Secretary for Far East Affairs at the Foreign Office. The two men may well be asked to go to Peking for next week's full-scale negotiations with the Chinese, or to fly out to join the talks at a later stage, if the initial round appears to go reasonably well.

Mrs Thatcher and the Foreign Secretary have ordered a rigid blackout on news about the course of the consultations here. The Whitehall view is that these are internal talks, in which Sir Edward and the members of his council will offer advice to the British Government in great confidence, before Britain goes into the bilateral bargaining in Peking. Any revelations now would give away the British negotiating position in advance.

Sir Rex's caddy is a p-p-p-penguin
SOUTHERN EVENING ECHO 23/6/83 P39

GOLFING WELCOME FOR ISLAND GOVERNOR

SALISBURY AND S. WILTS.
GOLF CLUB



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STANLEY
GOLF CLUB
FALKLAND IS.

LONG WAY HOME: Sir Rex Hunt, and feathered friend, at South Wilts Golf Club.

THE only birdie in sight when Sir Rex Hunt drove off at Salisbury and South Wilts Golf Club yesterday were the six penguins waddling across the fairway.

They were there to add atmosphere when Sir Rex, Falklands Civil Commissioner officially set the seal on an affiliation between the Wiltshire Club and the Port Stanley Club.

At the moment the long-distance twinning — with the courses computed at 13,726,369.61 yards apart — was via a satellite-link telephone call spanning the 8,000 miles, completing the friendship between the clubs.

During the transatlantic chat, Dr James Drummond, president of the Wiltshire club, promised the secretary of Port Stanley club that Salisbury golfers would do what they could to help re-build the Falklands course, left battered and equipment-strewn by the war.

Sir Rex had been welcomed yesterday by Salisbury club captain, Geoffrey Absalom and Dr Drummond, and before the telephone call told members he was proud, as president of Stanley, to attend the affiliation celebrations.

"It is a good cause indeed to do something that will help foster the game of golf in an English possession in the South Atlantic, which must be the southern-most course in the world."

Sir Rex, who planted a tree to commemorate the link, was visiting the Salisbury club during a holiday at his Sunningdale home in this country.

In an exchange of gifts, he received a set of golf flags and pins for the Stanley course, presented by Salisbury member Bill Goodman, of Juniper Drive, Salisbury.

Mr. Goodman helped build the Falkland's course 15 years ago while serving there with the Forces.

A trophy, the Stanley Cup, was presented to the club captain at Salisbury, Mr. Absalom, by RAF Senior Aircraftsman Peter Scott, a member of the Salisbury and South Wilts Club.

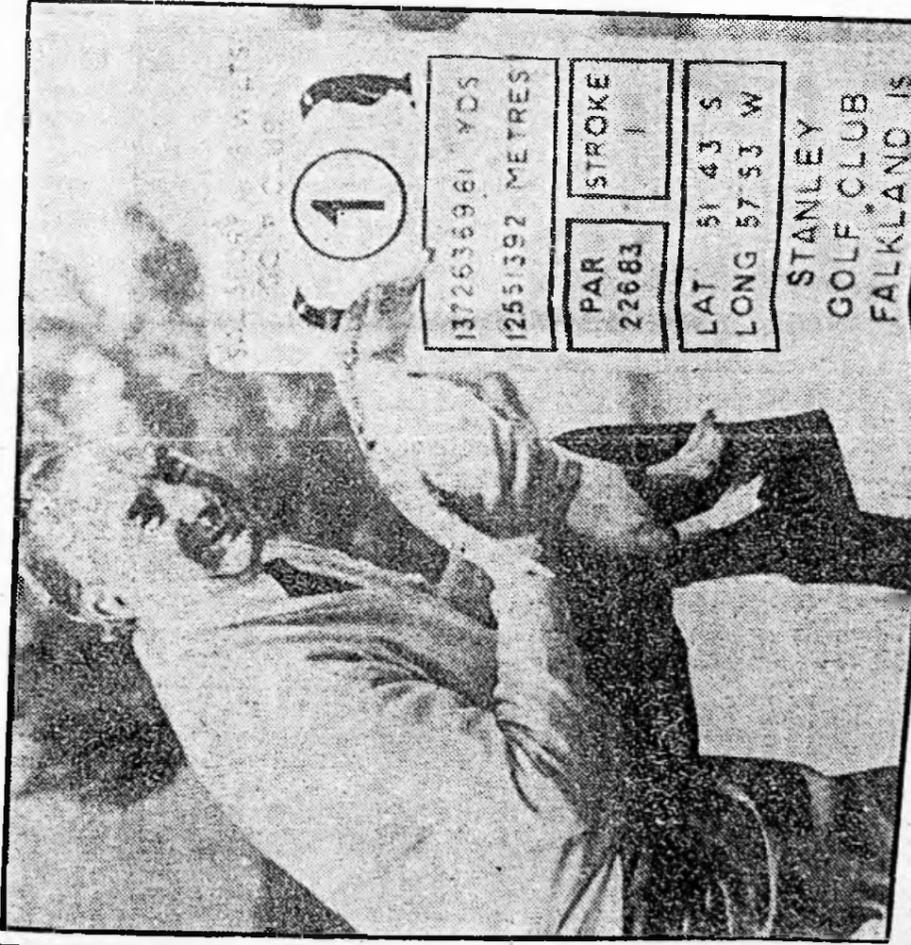
Mr. Scott, whose home is at Font-hill, near Salisbury, had a hand in starting the affiliation after playing on the Falkland course while serving on the island.

Then, after being piped on to the green by Falkland veteran, Scots Guardsman Piper Brian Day, Sir Rex made the link official by driving off — watched by those inquisitive penguins.

THE GUARDIAN Thursday June 23 1983

Golf club links with humbler twin

John Ezard on a great day for the Stanley course whose handicap is a minefield



A birdie at the first for Sir Rex Hunt, seen with a penguin yesterday at the affiliation ceremony between two golf clubs which are far from par for the course

THE ANCIENT Salisbury and South Wiltshire Golf Club twinned yesterday with a distant, younger, humbler club with which it shares strong links of sentiment, if not yet of opulence.

The other club stands near a sheep slaughter house. Its clubhouse is an upturned container box. And it is probably the only golf course in the world to have contained not only a live ammunition dump, but a fully operational minefield.

The event was billed officially as a "unique affiliation ceremony," and so it was. Those taking part on the 95-year-old Wiltshire club's perfect 18th green included the RAF, a Scots Guards piper who fought on Mount Tumbledown, and six penguins. They were Peruvian penguins, because all the Colswold Wildlife Park's Falklands captive rockhopper penguins were sitting on eggs.

Problems are expected about away matches between the new twins. The Ordnance Survey calculated that the distance between the Salisbury clubhouse and the first tee of the Port Stanley, Falklands Islands, golf club is roughly 13,726 million yards. The figure has been submit-

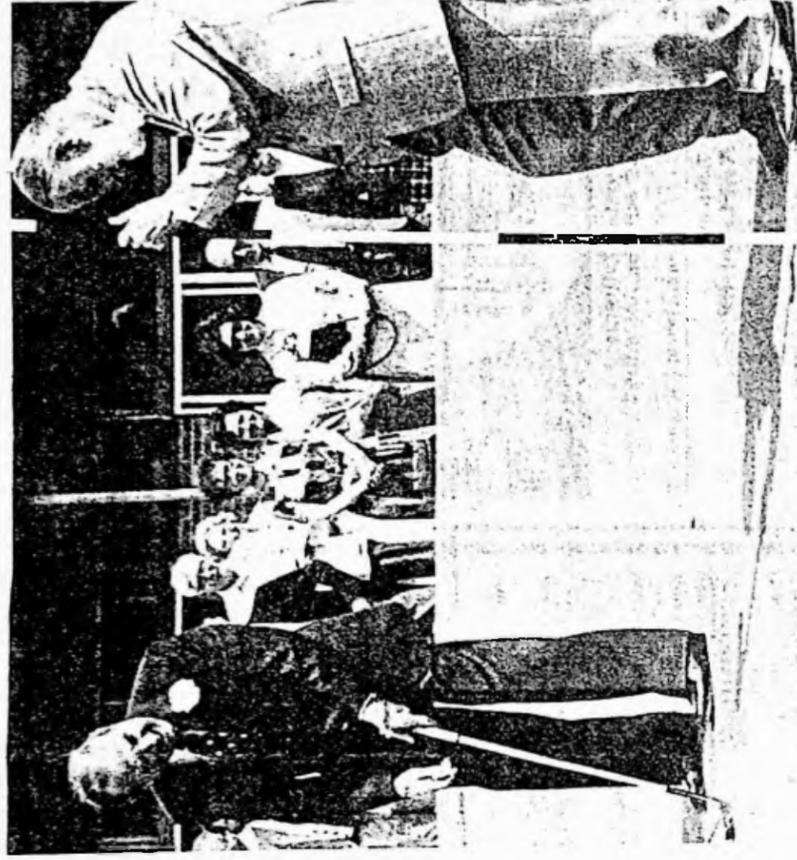
ted to the Guinness Book of Records as a record for sporting affiliation.

The aim of the link is to restore Stanley golf club to what is kindly described as its "former glory." That glory was recalled yesterday by Mr Bill Goodman, a Salisbury club member who helped to build the Stanley course in 1969. "You would not have recognised it as a golf course, really," he said. "It had no bunkers except for rocks. The greens were just peat dust which we spread to keep down the white grass. The longest hole was about 600 yards, driving out across a brook, the rocks, and the daed sheep. Gulls kept flitting about to take your golf balls, thinking they were sheep or lambs' eyes."

The affiliation was accepted by the Falklands Civil Commissioner, Sir Rex Hunt, who is on holiday in Britain. He confessed that during his first game in Stanley he had been unable to find the eighth hole of the nine-hole course. The Argentinians did find it, and installed a bunker of the military rather than the sporting kind. The British forces recapturing Stanley had to use 105mm shells to flush them out.

Times Sport

Tee off Monday 27th June 1983 to a new tomorrow



Sir Rex Hunt tries his luck on the 18th green, helped by Dr Jim Drummond.

SOUTH Wiltshire to South Atlantic is a long way — especially for a golf ball. But golf-mad Falklands Islands civil commissioner Sir Rex Hunt had a go at the 13,726,369.61 yards drive — the distance from Salisbury and South Wilts Golf Club's first tee to his adopted course in Port Stanley — anyway.

It was all in the name of sporting goodwill as a unique link was forged between South Wilts and their humbler Stanley counterparts.

Sir Rex — holidaying in Britain — was guest of honour at the affiliation ceremony which it is hoped will lead to the resurrection of the 44-year-old Stanley course.

Wrecked by the Argentine invasion last year the Stanley course still resembles a battlefield, but even a war HASN'T dampened the enthusiasm of local golfers and, spurred on by Sir Rex, plans for a new course are now under way — even though the site may have to be changed.

To that end South Wilts GC president Dr Jim Drummond has pledged the wholehearted support of the club and made a start last week by gifting Sir Rex a pair of green flags and pins.

They were presented to Sir Rex by South Wilts member Bill Goodman who helped design the present 4,846 yard nine-hole course when it was re-located in 1969.

Bill was stationed there as an Air Force technician and earlier this year another South Wilts member also saw service in the Falklands with the RAF.

It was SAC Peter Scott's 20th birthday in Stanley which started off the chain of events leading to the twinning.

South Wilts pro Nigel Blenkarne sent Peter a seven iron and six balls 8,000 miles with good wishes from the folks back home.

When Peter looked around for a place to practice with his present he found he was hampered by the burnt out helicopters that littered the course.

That's when the idea for an affiliation was born.

Now Falkland Islanders can look forward to one day playing golf again and at South Wilts the members have a new cup to play for — The Stanley Cup — presented by Peter's father Chuck Scott, a 14 handicap per at South Wilts.

● Sir Rex and Dr Drummond planted a tree in front of the clubhouse to commemorate the occasion, and Sir Rex met greenkeepers Mike Bacon and Sid Richardson and their staff. It was Mike and horticulturist Ken Mirfin who chose the



Triple Tee-off! Geoff Absalom, Dr Jim Drummond and Sir Rex drive off from a specially prepared first tee.

“Stanley Trees” to be planted — an Acer Platanoides “Drummondii” and two Filzroya Cupressoides confers.

● During the ceremony Sir Rex, Dr Drummond and South Wilts captain Geoff Absalom spoke to Patrick Watts, of Falklands Islands Broadcasting by telephone via a direct satellite link set up on the course by British Telecom International.

● A Scots Guard piper who fought on Mount Tumbledown added an appropriate atmosphere of occasion by piping Sir Rex around the course.

● Two penguins provided by the Cotswold Wildlife Park waddled on to the tee, reminding Sir Rex of the hazards of playing at Stanley.

● Wiltshire Golf Union president Ron Buthlay was the other guest speaker.

Heading for success?

BIG Mark Oakley is the latest piece to fit into Down-ton chief Peter Syrett's adventurous jigsaw.

The 21-year-old ex-Salisbury striker, who gained further Southern League experience with Basingstoke and Andover last term, joins forward-thinkers Martin Tutton and Peter Henderson at Long Close Park.

Syrett says: “Mark's a tall lad and will be a tremendous asset. I've been chasing him for a long time. My plans for next season are looking decidedly better.” “Mark is very strong in

the air and that factor means we won't have to gamble so much on pushing central defenders up for set-pieces.”

A local Noman'sland builder, Oakley had a happy spell with the Robins' reserves towards the end of the season but couldn't play in the Hampshire League because Andover held his registration.

Training at Long Close Park starts on July 12 at 7 p.m. and every following Tuesday and Thursday. Anybody interested should ring Peter Syrett in the evenings on Downton (94) 21985.



Watch the birdie!

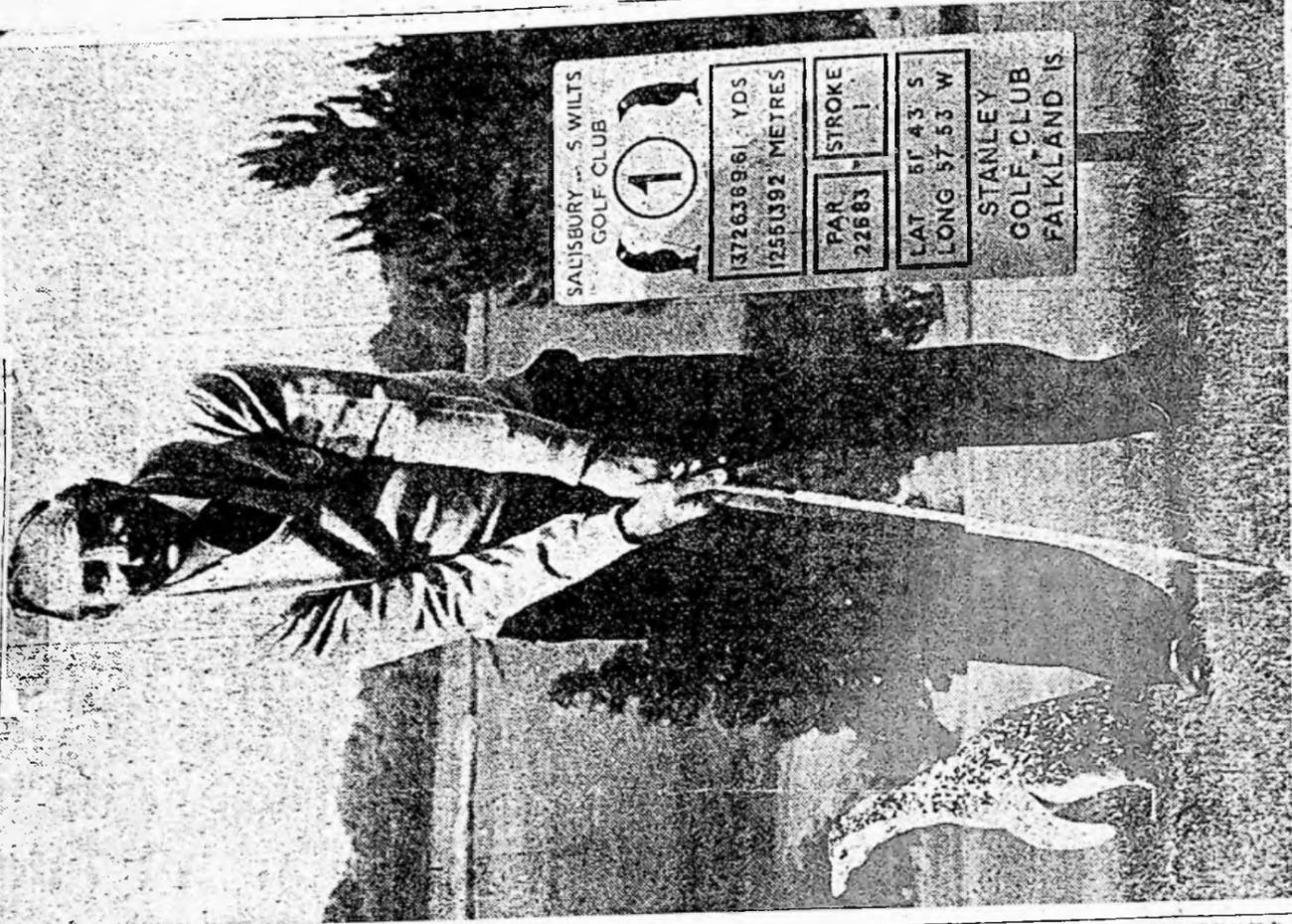
FALKLANDS governor Sir Rex Hunt (above) was given the bird yesterday — Percy the Peruvian penguin, marking an 8,000 mile sporting link between Port Stanley and Salisbury, Wiltshire.

Percy was loaned from the Cotswold Wildlife Park at Burford to remind Sir Rex of home as he officiated at the twinning between Stanley Golf Club and the Salisbury and South Wiltshire Club.

The idea was prompted by Senior Aircraftsman Peter Scott aged 20, from Fonthill Gifford, near Salisbury during a posting to Stanley this year.

Yesterday Sir Rex and Lady Hunt were at the Salisbury Club's Netherhampton course as British Telecom Engineers relayed by loudspeaker a telephone link between officials of the two clubs.

Plans are now in hand for Salisbury golfers to visit their twins at the world's most southerly golf club.



PENGUINS ON COURSE FOR GOLF LINK-UP

THE longest golf link in the world was formed on Wednesday when a radio telephone call spanning 8,000 miles brought together the warm sun-covered Salisbury downlands and the snow-covered ground of Port Stanley in the Falkland Islands.

On one end of the telephone was Emma Steln, secretary of the Port Stanley Golf Club and at the Salisbury end, sitting amidst the beautiful surroundings of the Salisbury and South Wiltshire Golf Club, was the Civil Commissioner for the Falklands, Sir Rex Hunt.

Sir Rex was guest of honour at a unique ceremony at the Salisbury golf headquarters when the two clubs officially affiliated to set the seal on a link suggested by a South Wiltshire RAF man many months ago.

Senior Aircraftsman Peter Scott, of Fonthill Gifford, was serving in the Falklands during the conflict. Being a member of the Salisbury club, a golf club was sent out to him for his birthday in the hope that he might be able to play a round or two on the war-battered Port Stanley course.

"WILL it be a birdie?" Sir Rex Hunt asks the penguin as he tees off at the Salisbury Golf Club when he forged a link with the Port Stanley club.

memorate the link and also tried out the Salisbury course with a few shots against Dr Drummond and Wiltshire county president, Mr R Buttsay.

The radio link was set-up by British Telecom and involved the use of a satellite and a ship anchored in Stanley Bay. Dr Drummond told the islanders over the phone that the Salisbury club would do all it could to restore the Stanley course to its former glory.

The distance between the two courses was worked out as 13,726,369.61 yards or 12,551,392 metres.

After a word with Sir Rex, a suggestion that the two clubs should link took root, and on Wednesday Sir Rex, on holiday in this country at his Sunningdale home, agreed to come to the Salisbury course formally to accept the twinning.

Sir Rex was welcomed by the Salisbury captain, Mr Geoffrey Absalom, and the president, Dr James Drummond. Before receiving his phone call from the Falklands, he told the members that he was proud to be able to agree to the affiliation in his capacity as president of the Stanley Golf Club.

"It is a good cause indeed to do something that will help foster the game of golf in an English possession in the South Atlantic, which must be the southernmost course in the world."

Sir Rex was promised help from the Salisbury club in rebuilding the Falklands course, which he said, was battered in the conflict.

During his visit Sir Rex received a set of golf flags and pins for the new course at Port Stanley presented to him by Mr Bill Goodman, a Salisbury member, of Jumper Drive, who 15 years ago helped build the Falklands course when he served there 'in the Forces.

Satellite

Sir Rex was also made to feel at home by the companionship of six penguins, brought to the course from a wildlife park. He planted a tree to com-

'Times' 5/7/89

Argentine police clash with governor

From Andrew Thompson, Buenos Aires

Some 400 policemen in the Argentine province of Tucumán nearly started a gunfight on Sunday with retired General Antonio Merlo, the governor, and his bodyguards. The incident was successfully defused, but served to underline the increasing tension within the country's security services.

The confrontation came about when provincial policemen assembled outside Government House in the

provincial capital of San Miguel de Tucumán, demanding a wage increase and improvements in working conditions.

The governor arrived at speed, driving his car up on to the pavement through the protesting policemen and emerging, pistol in hand, to demand their immediate dispersal. General Merlo was backed by four armed members of his personal bodyguard.

The policemen refused to

disperse. One of them shouted: "We are starving and we are not going to wait". Another placed himself in front of the governor, shouting: "Shoot me if you dare".

In the ensuing confusion, other policemen warned the governor that if he opened fire they would also use their guns, and that he would be the first to fall. A senior officer finally persuaded the men to withdraw.

Falklanders not eligible for grants

Four Falklands teenagers who were planning to study in Britain have had their hopes dashed because they are treated as overseas students under government regulations and do not qualify for grants.

Mr Michael Fallon, Conservative MP for Darlington, who yesterday described the situation as intolerable, is to take up the matter with two government departments, education and overseas development.

The Department of Education and Science agreed that the young people will be treated as overseas students and will have to pay the full cost for courses, although students from EEC countries do not have to do so.

The plight of the young Falklanders was disclosed by Dr Shanbu Nath, a family gp in Stanley, co Durham. Dr Nath, who set up a group to help the islanders by making contact with all towns and cities in the world with the name "Stanley", arranged for the four young people to come to Britain to study at New College, Durham.

They hoped to start studying this autumn.

Times 4/7/83

Falklands airfield

From Mr Paul Sinha

Sir, The valour, tenacity and operational brilliance of British arms in the Falklands campaign will remain beyond doubt and beyond praise. In themselves, however, they cannot justify the Government's decision to provide £215m (a conservative estimate, excluding hard-top hangars) for a new airfield on a remote site for which the Navy can scarcely provide the ships, the Army doesn't want and the RAF (operationally speaking) cannot reach.

Any reasoned prediction indicates that eventually some British government will negotiate some accommodation with, say, Argentina, Chile and Uruguay, providing for some kind of UN trusteeship for the islands, the islanders and their surrounding waters guaranteed under international law.

To provide such a body, at that stage, with the virtually free gift of a vastly expensive, laboriously constructed British airport would prove to be a monumental political boomerang, to put it mildly.

If the Government has spare packets of £215m available for major civil engineering projects - though it assures us, endlessly, that it has not - it may be better advised to re-examine the recommendations

of the commissioners on the Brandt report or, more selfishly perhaps, our own crumbling sewers or unelectrified railways..

Yours faithfully,
PAUL SINHA,
Speldhurst,
Brittains Lane,
Sevenoaks,
Kent.

June 28.

NEW ASSIGNMENT FOR CINDY AND ANNIE OF FALKLANDS FAME

Danger girls on shark watch!

by BRIAN JAMES

AFTER months trying to talk to penguins and watching for signs of invading troops, Cindy Buxton and Annie Price would, you'd think, be in need of a change.

But later this month they set sail for another island where they will try to get through to green turtles and take turns looking out for sharks. They'll go anywhere, do anything, provided it is remote enough, uncomfortable enough, dangerous enough . . . and makes great wildlife pictures.

Imprisoned

The pair's two years in the Falklands ended when South Georgia was occupied by Argentine troops, and they spent five weeks waiting to be imprisoned, before being snatched clear by the Marines.



Cindy and Annie . . . 'we don't have much time for company'

This time they are going to Ascension Island to start on a television series about the green turtle, the frigate bird, and the Widgeon Tern—so-called because he never sleeps, and can keep aloft for 24 hours without a rest.

He is the bird world's equivalent of Miss Buxton. 'About three months is as much time as I can spend in Britain between expeditions,' she says, 'then I must be up and away.'

The Ascension project was put together at breakneck speed after she had the idea on the way back from the Falklands celebrations in February.

In three months, she has set up the deal, arranged the 10-month stay on Ascension, collected and tested 1.5 tonnes of equipment—and helped the more easy-paced Annie Price to become, like her, a competent diver. With the tutelage of diving expert Reg Valentine, they have

reached the state where they can now work under the sea without supervision. Before disappearing beneath the calm waters of Elmswick's Hogarth Club pool, they listened again as Reg warned them about hammerhead sharks.

'You see one swimming straight ahead as though he knows where he is going. He is the leader. But suddenly, behind him come hundreds of them, in rank, upon rank from the seabed up to the surface.'

Appalled

'Only two or three people have seen this. Be a marvellous thing to film.'

Cindy and Annie nodded vigorously. Three years of working and living together has made these former convent schoolmates the sort of team mere sharks will not divide.

To avoid danger they would huddle together on the seabed where sharks prefer not to feed. But at least Ascension would not be as lonely as South Georgia. 'Lonely?' said Cindy, clearly

appalled. 'We were never lonely. We had about 10 million King Penguins when we got tired of talking to each other.'

'The one thing we dread a bit about Ascension is the social demands. The 1,500 servicemen and support teams are so incredibly hospitable. But we don't have much time for company.'

'We try to work all the time there is light. In those latitudes that means from 8 a.m. to 6 p.m. Then we have our notes to write up and classify, cameras to load, equipment to clean and repair.'

'We have to make ourselves take a break, to get our hair washed, and our clothes sorted out,' said Annie. 'Don't they ever get on each other's nerves?'

'We do have the odd flare-up,' said Annie. 'Like the time Cindy took our radio to bits, and put all the valves in a careful line in the order she had taken them out.'

'I came in, saw the mess, and washed everything in sight. It took her two and a half hours to find the right order for reassembly.'

D. Mail 4/7/83

D. EXPRESS 4/7/83



Pablo... determined

Falklands boy joins up—on the other side

A 15-YEAR-OLD boy born in the Falkland Islands says: "Some day I'll go back as a fighter pilot." The catch is that should Pablo Betts fulfil this dream he will be going back in an Argentine Air Force uniform.

Although he was born Paul Betts, the boy and his father, Alex, have both taken out Argentine citizenship.

Widower Mr Betts, 36, left an accounting job with the Falkland Islands Company to

join LADE, the air force-run domestic Argentine airline which linked the Falklands with the mainland.

Through his connections with the air force, Mr Betts was offered a grant for his only son to study as a cadet at the air force academy in Rosario, some 200 miles north of Buenos Aires.

Cadet Pablo is determined to become a fighter pilot and would like to return to the Falklands. "But I hope not to fight," he said.

'Times' 4/7/83

TIMES
Falklands airfield 4 July

From Mr Paul Sinha

Sir, The valour, tenacity and operational brilliance of British arms in the Falklands campaign will remain beyond doubt and beyond praise. In themselves, however, they cannot justify the Government's decision to provide £215m (a conservative estimate, excluding hard-top hangars) for a new airfield on a remote site for which the Navy can scarcely provide the ships, the Army doesn't want and the RAF (operationally speaking) cannot reach.

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If the Government has spare packets of £215m available for major civil engineering projects - though it assures us, endlessly, that it has not - it may be better advised to re-examine the recommendations

D. Mail 5/7/83

RAF man hurt

PORT STANLEY: An RAF man had to be cut from the wreckage of a Land-Rover after it was crushed by a runaway crane. He suffered a fractured pelvis and broken ankles.

D. Mail 5/7/83

Junta missile fury

DISCLOSURES t h a t Argentina is trying to buy an even deadlier Exocet-style missile from France are threatening to cause a new row between Mrs Thatcher and President Mitterrand.

Tory and Labour MPs are calling for swift action by Foreign Secretary Sir Geoffrey Howe to stop any deal going through.

The missile is the Otomat. It has a range of 125 miles—three times farther than Exocet which was used so

effectively against British ships in the Falklands war.

The missile has been jointly developed by Matra, a French arms manufacturer which has a 51 per cent. State holding, and the Italian firm Oto-Melara.

Last night Mr Kenneth Warren, Tory MP for Hastings and one of the Party's top defence experts demanded vigorous Government action to halt any deal.

He said: 'The French must ban selling any new missile system to Argentina.'

'Guardian' 1/7/83

Gibraltar gloom on jobs

THE Chief Minister of Gibraltar, Sir Joshua Hassan, returns today after a two-day mission to London which has failed to convince British ministers of the urgency of the unemployment crisis facing the colony when the naval dockyard closes.

Sir Joshua told Sir Geoffrey Howe, during talks at the Foreign Office, that 1,200 jobs will be lost, writes *Patrick Keatley*. He and his Minister for Trade and Development, Mr Canepa, told the Foreign Secretary that the British plan to convert the yard to commercial use was optimistic.

Sir Joshua said that Spain would interpret the decision on the dockyard as a sign that Britain was losing interest in the territory.

Brazilian ban

BRAZIL will not let British planes taking arms to the Falklands refuel at its airports, Brazil's Air Ministry said yesterday. British planes have made repeated emergency landings in southern Brazil this year, prompting Argentine anger.—Reuter.

'Gnaden'

1/7/83

The Latin American Times
DEPT OF THE REGION

NEWS IN BRIEF

THE CONTRACT for the construction of the new strategic airfield on East Falkland was awarded by the Government yesterday to the consortium of Laing/Mowlem/Amey Roadstone Construction, writes Paul Keel.

The contract, worth £191 million, will cover the construction of a main and a secondary runway, taxiways and aircraft hardstandings. It will also include a bulk fuel installation, hangers, maintenance facilities and accommodation for RAF personnel. The completion date is February 1986.

THE Property Services Agency has begun publishing internal advertisements for Falklands airport jobs. Free furnished accommodation, £105 four allowance, £160 outfit allowance and £20 trunk allowance. "An ability to maintain good relations with other people in this small and close knit community. Virtually no roads . . . Average temperature 43F; average rain 25 in; average wind 15 knots. An interest in outdoor activities is looked for." Mineclearing, perhaps.

Alan Rusbridger

The Latin American Times DEBT MAP OF THE REGION

Note: Data given on this map are collated from international sources considered reliable, but the situation is extremely fluid. The information shown should be used for guideline purposes only. ©1983 *The Latin American Times*.



The Latin American Times

Guyanese authorities add that there have been many other breaches of Guyana's territorial integrity – with Venezuelan nationalists, for example, taking parties of young people across the border without permission, to show them the territory claimed by Caracas. Britain's position in all this has remained typically unclear, but the Foreign Office has evidently indicated that it considers that the Anglo-Venezuelan Agreement of 1899 remains valid. No further clarification of Britain's attitude in the matter has, however, been forthcoming in recent years.

Amid gestures of support for Argentina last year, which received wide public backing, a former Venezuelan Defence Minister, General Luis Enrique Rangel, called for an immediate occupation of the Essequibo, and for the extension of military as well as economic assistance to Venezuela's 'southern brothers'. From time to time during the current election campaign in Venezuela, leading candidates from both major parties (the ruling COPEI and the opposition Accion Democratica) have issued renewed demands for an invasion of the Essequibo.

On 20 April 1982, Mr Hubert Jack, the Guyanese Energy and Mines Minister, announced the discovery of petroleum by the Home Oil Company, of Canada. The oil was identified on a 1.7 million acre concession of land 200 miles south of Georgetown. According to the exploration company, the well flowed light gravity oil to the surface at the rate of 400 barrels per day at the 9,000 ft level. The well is being deepened by some 100 feet, and further testing took place later in 1982. The Home Oil Company has also been sinking a second well in the area – which is thought likely to contain huge reserves, even though the initial flow from the first well was modest. The Guyana Geology and Mines Commission announced last year that it will be stepping up its mining activities by reopening a mineral-rich area of the Essequibo.

Commenting on these developments last year, the London-based financial magazine *International Currency Review* noted: 'It is possible that the potential here may be very large indeed – and that the greater part of the reserves consist of 45° API crude, one of

the finest quality oils available. Understandably, in the circumstances, the government of Guyana has played down the significance of this discovery. Venezuela's petroleum reserves, except for those in the Orinoco Basin, which are enormously expensive to exploit, will be exhausted in 20 years' time; and in any case, they consist mostly of low quality heavy crude, demand for which always slumps first, and furthest, in any economic recession'.

Venezuela's refusal to extend the Geneva agreement of 1966, and the Protocol of the Port of Spain (of 17 February 1970) which expired on 18 June last year, was accompanied by further statements hostile to Guyana. For example, former Venezuelan Defence Minister Rangel, who advocated a military invasion of the Essequibo, was reported to have said on a separate occasion that 'we have to invade the Essequibo area because it has always been and always will be part of Venezuelan territory'. This and similar statements have been accompanied by evidence of an ambitious Venezuelan arms purchasing programme.

In particular, the Venezuelans have bought 24 advanced F-16 fighter aircraft from the United States. Last year, Caracas took possession of a missile frigate – the fourth of six vessels ordered from Italy. Two German 209 class submarines have also been constructed for Venezuela. In addition to the new frigates, Venezuela's navy has four submarines, four destroyers and two further frigates. The armed forces operate 142 French-made AMX-30 heavy tanks, 40 AMX-13 light tanks and 12 US-manufactured M-8 armoured cars.

After the bloody nose Argentina received as a consequence of its military leadership's rash decision to invade the Falkland Islands (Malvinas), it is considered unlikely that the Venezuelans would attempt any adventure against Guyana at the present time. Moreover President Luis Herrera Campins stated last year that he had no intention of ordering an invasion. But Campins leaves office shortly, and Venezuela's economic and financial difficulties are becoming a nightmare. If Guyana strikes it rich in the Essequibo, the temptation for some exasperated Venezuelan Government to

seize the disputed area in order to gain access to a possible fresh source of petroleum reserves, to replace Venezuela's domestic resources which are well on the way to depletion, could prove irresistible. ●

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Notes from the Falklands

London/Port Stanley

Argentina's claim to the Falkland Islands is of dubious historical pedigree, according to the May issue of the *Falkland Islands Newsletter*, published in London by the Falkland Islands Association. The Argentine Government likes it to be thought that it has consistently pressed a claim to the sovereignty of the Islands since 1833. In practice, General Rosas, dictator of the former Republic of La Plata, offered in 1841 to yield any claim the Republic may have had to the Islands, in return for the release of certain debts owed to City of London interests. However the British Government of the day was not interested – since, quite apart from anything else, it was concerned that the debts should be repaid.

For much of the 19th century, the claim was hardly ever revived. However it surfaced again at the beginning of the 20th century, and gained some support from Julius Goebbels' book, published in 1927, entitled *The Struggle for the Falkland Islands*. The claim to sovereignty was later promoted by Nazi propagandists among the largely German-trained Argentine Army during the Second World War.

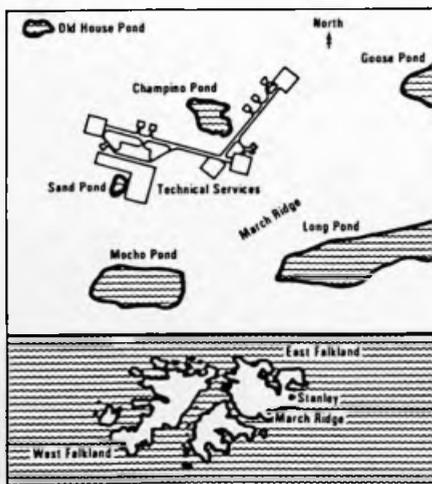
When General Peron came to power in 1946, he adopted the claim, as he frankly admitted at the time, as a means of uniting the diverse races of which the growing population of modern Argentina consisted. It was General Peron who introduced 'Malvinas Day' in Argentina, and began teaching the Argentine version of the history of the dispute in all Argentine schools. As a result, the Peronista Party has always considered itself to be the custodian of the Argentine claim;

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and the 'recovery' of the Malvinas has always been at the forefront of Peronista political programmes. General Galtieri's fatal initiative can thus legitimately be interpreted as an attempt to steal some of the Peronistas' political clothes in order to ingratiate the junta of the day among the general population.

The Falkland Islands Newsletter comments that 'General Peron was prepared to admit privately, in his usual jovial manner, that he personally did not believe that the Argentine claim to the Falkland Islands or the later claim to their Dependencies, was well founded. Nor did he believe that it would ever succeed, or that Britain would be prepared to consider ceding the Islands to Argentina. His whole motive was an internal political one. Pulling the British lion's tail was fashionable at the time, and free of risk. These are the origins of the events which commenced on 2 April 1982'.

'Operation Rosario' had several associated objectives - beginning with the outright cession of sovereignty and Argentine military occupation of the Falkland Islands. Nothing less would have enabled Argentina to dominate the South Atlantic, to confine Chile to the Pacific, and to claim the entire British and Chilean Antarctic territory for Argentina. The British possessions of Gough Island and Tristan da Cunha in the South Atlantic, would also have been on the hit list. Pressure on Chile and Uruguay would have been intensified and a militaristic South Atlantic empire was to have been established. ●



Sketch of the new Malvinas airport.

On 27 June, the British Government announced that work would start soon on the construction of a new strategic airfield on the Falklands. The installation (see map at bottom, left) will cost some £215 million.

Announcing the decision in the British House of Commons, Mr Michael Heseltine, the Defence Secretary, stated that the Property Services Agency - an entity of the British Government controlling assets worth over £2.5 billion - would be placing a construction contract worth £190 million with the consortium of Mowlem/Laing/Amey Roadstone Construction (ARC). Earlier this year, *New Civil Engineer*, published in London, reported that the Agency had called for tenders to be submitted by 3 May. Our map, taken from the magazine's sketch, pinpointed the location of the new airport as March Ridge. A road will have to be constructed from Stanley to Mount Pleasant (not shown), and from Mount Pleasant to the new airport; and the cost of this road, together with the extra expense of government-furnished communications and navigational aids, will be some £25 million.

The main runway of the new facility will be 2,590 metres long, 46 metres wide and crossed by a runway of 1,525 metres in length (23 metres wide). British hydrographers from the Royal Navy have been surveying a suitable site for some time.

Shortly after the end of last year's Falklands war, Britain's Royal Engineers considered extending the Stanley airstrip but decided that this would be uneconomic in the long term. A similar view had been put forward by the United Kingdom Falkland Islands Committee to successive governments over the years, the thrust of the argument being that the old airfield had been built in the wrong place.

Johnston Construction, which built the original strip in 1975, had been compelled to transport all their own plant to Stanley on a small draft ship weighing 2,500 tonnes, and equipped with a 60-tonne capacity crane. Cement and bitumen was brought in from South America. The article in *New Civil Engineer* pointed out that 'the local hard quartzite can be crushed to make aggregate, while dune sand provides suitable fill'. ●

The Argentine occupation of the Falkland Islands resulted in the total destruction of the three small aircraft owned and operated by the Falkland Islands Government. In July 1982, immediately after the cessation of hostilities, initial steps were taken to replace the aircraft which had been lost. Specifically, a De Havilland Beaver was purchased from Canada, and orders were placed for two Britten-Norman Islanders. The Beaver was shipped to Stanley, and arrived in December 1982. The first flight took place on 24 January 1983. During the four weeks preceding the Islands' 150th celebrations in February, some 350 passengers were carried. The two Islander aircraft have completed engine trials, and are now fully operational.

Air services in the Falklands have changed considerably since April 1982, when the Argentines invaded. The Falkland Islands Government Air Service (FIGAS) had previously operated with the local skies almost entirely to themselves. Today, careful flight planning is necessary, to avoid firing range activity and low-level air exercises. Since FIGAS aircraft operate between sea level and 2,000 feet, pilots must be on their guard for Phantoms, Harriers and helicopters using the same airspace. In the Stanley area, density is high, and radar facilities are extensively used.

A hotline telephone link-up operates between RAF Stanley and the FIGAS office, to cover emergencies. In the event of a 'red alert', FIGAS aircraft are required to land immediately at the nearest settlement. ●

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MEXICAN LOAN

Here's a funny one! PEMEX, the Mexican state-owned oil entity, has received a \$100 million line of credit from the Crocker Bank of San Francisco to finance the importation of petroleum exploitation equipment from the United States. This is the first line of credit to have been extended by a foreign bank to a Mexican institution since the Mexican debt crisis erupted in August 1982. At least, that's the official line... The loan seems all the more extraordinary in that the Midland Bank Group, of London, which is Crocker's parent, has been having to carry Crocker ever since acquiring it in a widely-publicised takeover.