

Port opens

The £20 million Falkland Islands port, made of six large barges fastened together and capable of taking ships up to 1,000 feet long, was opened yesterday.

THE BELGRANO issue seems finally to have sunk, torpedoed by the Argentine admiral who told "Panorama" that, yes, the ship was a legitimate military target and, yes, the Argentine Navy would have sunk a British ship in similar circumstances. What is curious and interesting in retrospect is the passion with which the Left pursued the matter.

The allegation implied in all the Left's arguments after all, was that the Government had sunk the Belgrano in order to prevent the imminent success of Peruvian peace negotiations which threatened to end a war from which Ministers were profiting politically. This is more than a serious charge; it is inverted flattery. It portrays Ministers as people of Machiavelian ruthlessness and of an incredible political farsightedness who would think nothing of murdering over 300 men in order to boost their opinion poll rating by 5 per cent. Now, remember that the Ministers in question were Mr William Whitelaw, Mr John Nott, Mr Cecil Parkinson, Mr Francis Pym and Mrs Thatcher. It is just about conceivable that they sometimes fantasise about playing Cesare Borgia; but that these conventional, timid, bourgeois politicians would actually break someone's leg for political advantage is, simply, "not on."

Why, then, was the ideological Left so readily convinced of this? To answer, I must call in aid the Freudian notion of "transference" — i.e. attributing to others the emotions and attitudes which you hold yourself. All those Polytechnic lecturers think that this is how high politics is carried on. They privately imagine that, were they in power, much of their time would be spent sinking ships, "smashing" opponents, "crushing" opposition and generally behaving with a happy ruthlessness.

In its way, this outlook is almost innocent. It disregards the distasteful fact that 90 per cent. of politics is reading Cabinet papers on the effect of tax changes on work incentives. It is Boys' Own Trotskyism, the Adolescent Tendency.

Peron invited home for talks with Alfonsín

Buenos Aires (Reuter) — The opposition Peronist Party has invited its leader, Señor Maira Estela Martinez de Perón, to return to Argentina from Spain for political talks with the government led by President Raúl Alfonsín.

The Government said Señor Alfonsín's talks with opposition parties would begin on May 7. It said he would first meet leaders of the Peronist Party, the main opposition.

The talks are aimed at reaching an agreement with all the nation's representative forces on a global strategy for national recovery, a government source said.

Señora Perón, who was President from 1974 to 1976, has been living in Spain since 1982. She returned in December only to attend Señor Alfonsín's inauguration, which brought an end to the military government that toppled her from power.

The Peronist Party, which had been the nation's dominant political force over the last 40 years, still has virtual control of the upper house of Congress and the powerful union movement.

Government sources said Peronist support is needed for the success of Señor Alfonsín's efforts to renegotiate Argentina's \$43.6bn (£30bn) foreign debt.

Argentina wooing Peronist unions

From Jeremy Morgan
in Buenos Aires

Argentina's new Labour Minister, Mr Juan Manuel Casella, promised a "just distribution" of wealth but stressed that the Government still intended to reform autocratic trade unions.

Mr Casella succeeded Mr Antonio Mucci amid opposition to Government economic policy from both sides of industry.

The Confederacion General del Trabajo, Argentina's biggest union grouping, welcomed the new minister as a man who had "shown flexibility" and seemed "open to dialogue" while he was a member of Congress.

But the conciliatory attitude from the CGT did little to end suspicion about the true intentions of its Peronist leaders during the coming months as the Government tries to impose austerity to tackle Argentina's economic crisis.

The recession, high unemployment, and an inflation rate running at almost 480 per cent a year provide the union bosses with their best ammunition in a battle against the Government's plans to enforce elections on the Peronist-dominated labour movement.

Mr Casella insisted that real wages would rise this year, but the CGT disputes the official figures.

Even though debt reschedul-

ing negotiations are far from completed, the CGT has already accused the Government of accepting a "policy of recession and dependence" imposed "from the outside," by the International Monetary Fund.

CGT leaders condemn the government for not responding to a growing wave of strikes. Opinion varies over whether the unrest is orchestrated by the largely self-appointed union leaders or reflects a rank and file rebellion directed at least partly at them.

The employers' federation, the Union Industrial Argentina, launched a strongly worded demand for "drastic" public spending cutbacks, but low-cost credit for private business as Mr Casella took office.

Reuter adds: The mothers of Plaza de Mayo accused the Government of superficial investigation into military atrocities when they marked the seventh anniversary yesterday of a search for their children who went missing under military rule.

A few hours before they were due to start a four-day fast and stage their usual silent march on the Plaza de Mayo, a square outside Government House, two bombs exploded outside army non-commissioned officers clubs in Buenos Aires and Cordoba. The bombs caused considerable damage but no one was injured.

Argentina proposes steps to peace

From Our Correspondent, Paris

Argentina is proposing a policy of "small steps" towards a dialogue with Britain over the Falklands, Señor Dante Caputo, the Argentine Foreign Minister, said in Paris yesterday.

He said his country remained "extremely firm on the essential claim of sovereignty," but added that this firmness extended to the "necessity of a diplomatic dialogue with Britain". That was why Argentina wanted a series of informal talks without an agenda. "We believe in a diplomacy of dialogue," Señor Caputo said at a press conference at the end of one-day official visit to France.

Señor Caputo told me after the press conference that the small steps policy could start without any preconditions about sovereignty or anything else. "I have told London this. An important thing is to get around the table," he said.

His visit was ostensibly devoted to helping along negotiations on Argentina's \$43.8 billion (£31 billion) debt. However, it gave Señor Caputo the chance to talk about the Falklands, which he seemed anxious to do.

Earlier, at a lunch given by M Claude Cheysson, the French Foreign Minister, he devoted a third of his speech to the Falklands.

Señor Caputo said his Government was "seeking to create favourable conditions for negotiations" with Britain while underlining that a final solution must include the question of sovereignty.

He added, "My Government wishes to normalize its relations with Great Britain, which would be possible if that country agreed to negotiate fundamental questions and adopt prior measures such as the removal of the exclusion zone, a halt to the building of the strategic airport and fortifications, and a non-nuclear guarantee for the region.

He was asked to explain his "small steps" approach. He replied: "We believe in the possibility of establishing a dialogue."

Would trade provide an opportunity for a first small step? "We are prudent and realistic, and think even a very small step is extremely important," he replied.

"The first essential is the possibility of a dialogue. Am I an optimist? I am optimistic about the capacity for dialogue of civilized governments."

● **GENEVA:** Argentina has ordered six new, highly efficient conventional submarines that could threaten a larger surface naval force such as the British fleet, according to the *International Defence Review's* April edition (AP reports).

● **BUENOS AIRES:** A long-simmering crisis in the Argentine Government's union policies culminated yesterday with the resignation of the Labour Minister and the first change in President Raul Alfonsín's Cabinet since he took office last December (Douglas Tweedale writes).

The Times 25/4/84

Argentine Labour Minister resigns

By Jimmy Burns in Buenos Aires

The Financial Times 25/4/84

A SIGNIFICANT U-turn in the Argentine Government's attitude towards the unions appeared to be confirmed yesterday with the long-expected resignation of Sr Antonio Mucci, the controversial Labour Minister.

Sr Mucci's political influence had been gradually eroded after being identified as one of the main architects of a Government Bill aimed at reforming the General Confederation of Labour (CGT)—the country's only major trade union organisation. The Bill was defeated last month in the face of strong opposition from trade union leaders and the parliamentary Peronist party.

President Raul Alfonsín now has his hands free to pursue a more conciliatory approach to trade union affairs in an attempt to secure a "social contract" with both sides of industry. Trade union reform was one of the key issues of his electoral campaign, but Sr Alfonsín has more recently been worried that the controversy generated by the Labour Bill was undermining any chance of securing broad political support for the Government's economic programme.

The new Labour Minister is Sr Juan Manuel Casella, a 42-year-old lawyer. Sr Casella has no previous ministerial experience but he has a reputation as a skilful political negotiator. As head of the Parliamentary Defence Committee Sr Casella earlier this year secured Peronist support for a military reform Bill, allowing for the court martial of officers involved in human rights violations.

Rivalries within the labour movement were made more acute, as a result of Sr Mucci's reform plans and are thought to have been behind recent wildcat strikes in favour of wage increases.

Significantly, Sr Casella's appointment follows a series of meetings over the last two weeks between Sr Alfonsín and leaders of the CGT, who have criticised the Government's recent 9.3 per cent increase in the minimum wage as "insufficient."

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Argentinian Labour Minister resigns after key bill falls

From Jeremy Morgan in Buenos Aires

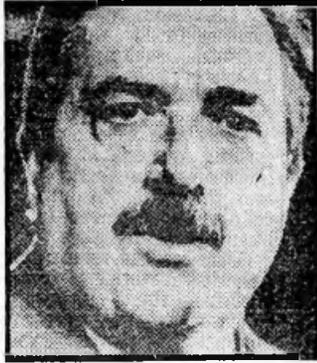
The Labour Minister, Mr Antonio Mucci, resigned yesterday as the Government switched tactics in its attempt to impose democracy on unions dominated by autocratic leaders allied to the opposition Peronist mass movement.

Mr Mucci is a print union activist with a long record of opposition to the Peronist labour barons. The new minister who, officials say, will be sworn in today, is Mr Juan Manuel Casella, aged 42, an influential member of the Government's Radical Party in the Chamber of Deputies, where he heads the defence committee.

There are now signs that President Alfonsín has taken personal charge of the labour issue. The Government appears to have abandoned its initial strategy of imposing supervised elections on union leaders whose support has often not been tested for at least 10 years.

In a new phase of negotiations aimed at averting an open confrontation with organised labour, Peronist dissidents were called for talks at the presidential residence.

The meetings prompted the main union confederation CGT, to accuse the Government of trying to divide the labour movement. But it seems more likely



● President Alfonsín: New labour strategy

that the President wanted to convince his supporters of the need to negotiate.

The departure of Mr Mucci had been considered almost inevitable after last month's defeat in the Senate of President Alfonsín's far-reaching union reform bill.

Mr Mucci's close identification with the rejected bill always made it probable that he would become the Government's first political casualty.

Argentina is meanwhile going ahead with its submarine programme and has ordered six new highly-efficient conventional submarines that could

threaten a larger surface naval force according to the International Defence Review.

"Plans for the building of six submarines, four in Argentina and two in West Germany... are now being implemented," wrote Juan Carlos Murguizur, the magazine's Argentina correspondent and professor of military history at Argentina's School of Strategic Studies.

Professor Murguizur said the 1,700-ton submarines can remain submerged for 70 days, have a high speed of attack and a low "sonar-echo area" making them "almost ideal torpedo-launch platforms."

Professor Murguizur said the construction of the TRI700s could mark a shift away from reliance on a surface fleet built around the slower, more costly and more vulnerable aircraft carrier as Argentina re-thinks its defence policy and analyses its budgetary capabilities.

The author said that Argentina's hopes of overpowering the British fleet during the Falklands war by "improvisation and ingenuity" were dashed by the arrival of conventionally-powered British submarines that could operate in shallow waters backed by larger, more powerful nuclear submarines for deeper waters. — AP.

ARGENTINA SIGNAL TO BRITAIN

ARGENTINA wanted to start a dialogue with Britain through a policy of "small steps," said Dr Dante Caputo, Foreign Minister, on an official visit to Paris yesterday.

Argentina was trying to create conditions favourable to talks with Britain, but a solution to the impasse would have to include the question of sovereignty over the Falkland Islands and South Georgia and South Sandwich.

"Our government wants to normalise relations with Britain, which would be possible if this country agreed to negotiations on the fundamental questions and took some preliminary steps," said Sr. Caputo.

He spelled out that these could be the abolition of the exclusion zone around the Islands, a halt to the building of a new airport, and a guarantee of non-nuclearisation of the region.

Talks optimism

Later Sr Caputo said Argentina was ready without any preliminary conditions for a policy of "small steps" leading to informal talks with Britain without at set agenda.

Though he acknowledged there were enormous difficulties, he said: "I am optimistic about the possibility of dialogue between civilised countries."

Sr Caputo, who later went to the Elysee Palace for a meeting with President Mitterrand, said he had not asked France for help in starting a dialogue with Britain.

During talks with M. Cheysson, French External Affairs Minister and senior officials from the Finance Ministry and the Bank of France, he emphasised the political background to Argentina's debt repayment problem.

Sr Caputo said his meetings avoided technical discussion of the Argentine debt, estimated at \$43 billion (£30 billion), which the government of President Raul Alfonsín has promised to repay.

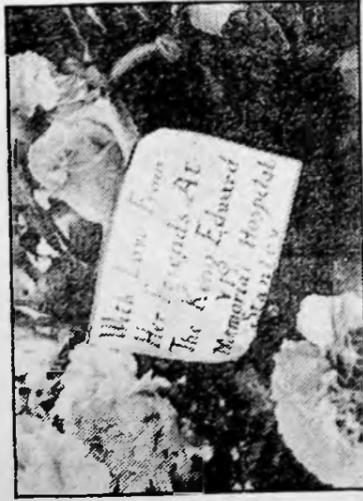
He described his reception in France as "exceptionally warm"

Talks ruled out

The reaction in Whitehall last night to Dr Caputo's speech was that sovereignty of the Falklands would never be discussed with Argentina by Mrs Thatcher's Government.

'SHE PROVIDED A SUPREME EXAMPLE OF THE HIGHEST IDEALS OF A NOBLE PROFESSION'

—The Rev Anthony Wheeler



One of the many tributes in flowers.



Pucklechurch prison officers act as pall bearers.

Farewell to the Angel of Stanley

THE NAME of Falklands nursing angel, Barbara Chick, who died saving patients in the Stanley hospital fire, will rank beside those of Florence Nightingale and Edith Cavell.

In a moving tribute at the funeral of the 35-year-old nurse from Shirehampton, the Rev Anthony Wheeler said she was a wonderful and dedicated nurse.

Barbara died in the Port Stanley hospital fire which claimed eight lives.

She saved four patients before going back into the inferno in a last bid to help others.

Mr Wheeler told the 150 mourners: "Barbara's heroic death proved a supreme example

By Mary Wright

of the highest ideals of her great and noble profession.

"I am sure her supreme sacrifice and total dedication will inspire many other nurses and women to enter themselves for a career in nursing."

The mourners were led by Barbara's parents, John and Marian, her sister Mary and other members of her family, Bristol's Lord Mayor, Councillor Fred Apperley and his wife Joan, and 30 prison officers from Pucklechurch Remand Centre, where Barbara once worked as a nurse. Six officers acted as pall bearers.

Falkland Islanders living in Bristol, nurses from Manor Park Hospital where Barbara trained, city and county councillors, members of the Normandy Veterans Associations and a representative of the Falklands Islands government office in London, were there too.

A crowd of 200 gathered outside the church to pay their last respects to a local girl they knew and loved.

Mr Wheeler, assistant curate of the church, said: "It is a very sad day for the Falkland Islands known throughout our islands across the seas as the Angel of the Falklands."

"The death of this heroic young nurse has brought to an end a life of total dedication and service to the sick and the dying, the old and the young."

He said Barbara had a special desire to nurse the elderly, sick and infirm, the mentally ill, deaf and dumb and disabled.

"Using her gentle nursing skills she was able to bring them relief and comfort and she did everything she could in her power to help them."

"Barbara died as she had lived — with her patients to the last with no thought of herself, only for those in her care."

Mr Wheeler remembered the other seven victims — all patients — who died in the King Edward VII Memorial Hospital in Port Stanley, including a young mother and her new born baby.

He said funds were now coming forward for the rebuilding of the hospital, and a ward will be named after Barbara.

Missed

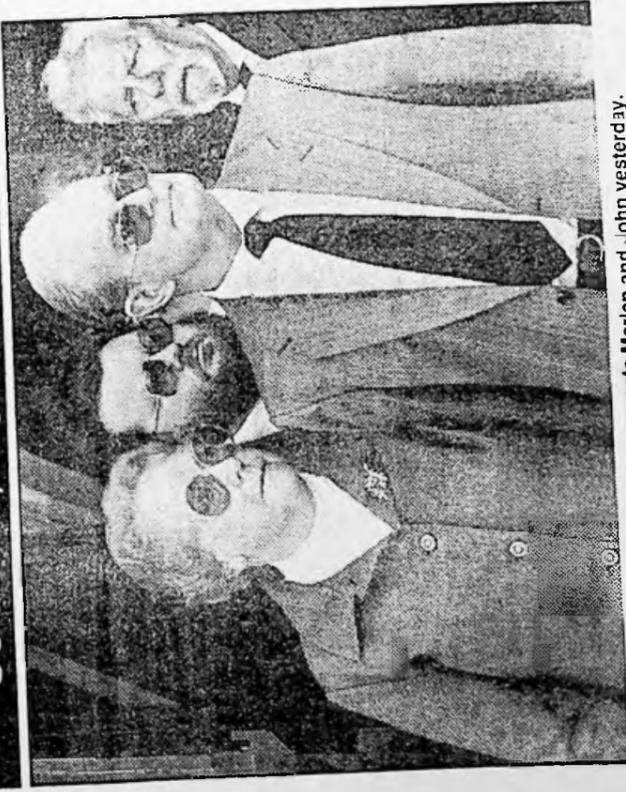
After the funeral a private cremation took place at Canford cemetery, Westbury on Trym. Barbara's ashes will be returned to the Falkland Islands.

Floral tributes included one from the Director General and members of the Army Medical Service, friends at the King Edward VII Memorial Hospital, Port Stanley, the Falkland Islands government and the Falkland Islands government in London.

Words on one tribute read: "In memory of a very courageous lady who will be sadly missed."

Last night a Royal College of Nursing Spokesman said Barbara was not a member but "Royal College of Nursing nurses everywhere pay tribute to this brave and dedicated nurse."

To Mum, my best friend



Grief for a heroine, parents Marlan and John yesterday.

IN a hushed St Mary's Church, the Rev Anthony Wheeler ended the moving service with a poem Barbara had sent to her mother, Marlan.

Barbara wrote:

To you, Mum,
You are my best friend

because you feel so much like home to me.

"With you I can always know sunshine.

"When I am happy and want to share everything that is wonderful you are there.

"I wanted to say thanks for being my best friend."

Nurse Barbara with a newborn baby.

Farewell to blaze angel Barbara

NURSE Barbara Chick, heroine of the Falklands hospital blaze that killed eight, was cremated yesterday.

Barbara, 35, died saving four patients from the fire at Port Stanley.

Now parents John and Marian want their daughter's ashes returned to the Falklands.

In a moving ceremony at her home at Shirehampton, near Bristol, Barbara was hailed as "the angel of the Falklands."

The Rev. Anthony Wheeler said she would stand alongside great



Barbara . . . died saving lives

nurses like Florence Nightingale and Edith Cavell.

He said: "Barbara died as she lived, with no thought for herself—only for those in her care."

The vicar also read out a moving poem from the dead woman to her mother, which said: "Thanks for being my best friend."

The coffin, with a Red Cross wreath on top, was carried by Barbara's former colleagues from the Pucklechurch Remand Centre near Bristol, where she worked before going to the Falklands.

About 150 mourners, including many nurses, crowded the parish church of St Mary's for a half-hour service before the cremation at Canford, Bristol.

Nurse's death 'an heroic example'

The courage and ideals of Barbara Chick, the nurse from Bristol who died in the Falkland Islands hospital fire, should rank alongside those of Florence Nightingale and Edith Cavell, mourners at a funeral service were told yesterday.

Miss Chick, aged 35, from Burford Grove, Shirehampton, Bristol, died earlier this month while trying to save a patient from the Port Stanley hospital in a fire which claimed eight lives. She had earlier saved four patients.

Her death robbed the world of a "wonderful, dedicated nurse", the Rev Tony Wheeler said in his address to more than 150 mourners in the parish church at Shirehampton.

"But, in her heroic death, she has provided a supreme example of the highest ideals of her great and noble profession which will live for ever and stand alongside that of Florence Nightingale and Edith Cavell.

"It is my hope and prayer that her supreme sacrifice and total dedication will inspire many young men and women to offer themselves for a career in nursing."

Among mourners in St Mary's Church were the Lord Mayor of Bristol, Mr Fred

Apperly, and nurses from all over the West Country.

Also present were former Falkland islanders living in Bristol and a representative from the Falkland Islands Office in London.

More than 100 members of the public watched outside the church as the coffin, decked with red and white flowers, was taken in.

Floral tributes from Falkland Islanders and organizations, including the staff at Port Stanley hospital, were laid along the church path.

The family mourners were led by Miss Chick's father, John, and his wife, Marian, a former nurse. Her sister Mary, aged 32, also a nurse, and her husband, Mr Richard Harvey, of Clevedon, near Bristol, followed.

After the brief ceremony there was a private cremation. Mr Wheeler, the assistant curate, told mourners: "Barbara died as she had lived—with her patients to the last, with no thought of herself but only for those in her care."

Her parents have asked that her ashes should be returned to the Falklands.

A ward at the rebuilt Port Stanley hospital will be named after Miss Chick, who trained at Manor Park Hospital, Bristol.

The Guardian

25/4/84

Tribute to nurse

A tribute was paid yesterday to the bravery of nurse Barbara Chick, at her funeral service, who died in the Falklands Islands hospital fire.

Miss Chick, aged 35, from Shirehampton, Bristol, died earlier this month while trying to save a patient from the Port Stanley hospital in a blaze which claimed eight lives. She had earlier saved four other patients.

The Reverend Tony Wheeler told over 150 mourners in the parish church at Shirehampton that she had provided a supreme example of the highest ideals of her great and noble profession, "which will live for ever and stand alongside that of Florence Nightingale and Edith Cavell."

Daily Mail
24.4.84

Heroine's funeral

THE funeral of nurse Barbara Chick, 35 — killed rescuing patients in this month's Falkland hospital fire — takes place today in Shirehampton, Bristol.

Daily Mail
25.4.84

The Falklands angel

THE heroism of the nurse who died rescuing patients in the Falklands hospital blaze was praised at her funeral yesterday.

The Rev Anthony Wheeler told the congregation at St Mary's, Shirehampton, Bristol, that 35-year-old Barbara Chick was the 'angel of the

Falklands' whose heroism and dedication was an example to set alongside Florence Nightingale

Barbara went into the blazing hospital four times to save patients, but died with seven other victims when she braved the flames for a fifth time.

Daily Mail
25.4.84

Argentina's subs

BUENOS AIRES: Argentina is acquiring six new submarines — four being built there and two in West Germany — says the magazine International Defence Review.

Western Daily Press
25.4.84

Falklands' plan is snubbed by Maggie

SOVEREIGNTY of the Falklands Islands will never be discussed with Argentina by the Thatcher Government.

This was Whitehall's reply to a speech in Parish by the Argentine Foreign Minister, Dante Caputo.

He said Argentina wants to start a dialogue with Britain, step by step.

But he insists a solution will have to include the question of sovereignty of the Falklands and South Georgia and South Sandwich.

Britain wants to move by small steps to normalise relations with Argentina, but sovereignty cannot be on the agenda, Whitehall insists.

Meanwhile, Argentina has ordered six new highly-effective conventional submarines, two being built in Europe and four at home.

And the only thing stopping Argentina from building a nuclear powered submarine like HMS Conqueror, which sank the General Belgrano in the Falklands War is lack of cash says this month's International Defence Review.

Four of the new TR1700 submarines will be built in Argentina and the other two in West Germany.

Fire inquiry reopens Falklands debate

By NICHOLAS COMFORT Political Staff

FUNDAMENTAL questions about Whitehall's attitude to the future of the Falklands are expected to be raised by the inquiry, due to be convened in Port Stanley shortly, into the fire at the colony's hospital in which eight people died.

While the inquiry is being staged by the Falkland Islands Government and most of the evidence will come

from local people, it is widely felt that decision-making processes in London will be on trial.

MPs and officials expect it to reopen debate on the broader issue of what exactly Britain's intentions for the future civilian life of the islands may be, and how much practical help it intends to give.

For some months there have been signs from the Falklands of dissatisfaction with both the pace and the scope of the post-war reconstruction programme.

But matters came to a head with the hospital fire, which followed repeated reports to various agencies in London that the building was both inadequate and a safety hazard and should be replaced as a matter of priority.

Joint facility

Decisions were apparently held up because of disagreements over whether the new hospital should be purely for the civilian community or a joint facility with the Services—something the military are understood to have resisted.

The delays in approving a replacement hospital prior to the fire are seen as symptomatic of a broader reluctance or failure to take decisions on the development of the islands' community and economy.

At Westminster as much as in Port Stanley, the question coming to be asked is whether the Government has a clear policy on what it wants the future of the islands to be.

It did endorse a £31 million programme of reconstruction and development after the islands had been liberated, drawing substantially on recommendations from a team headed by Lord Shackleton.

But while the new airport is under construction some controversially expensive homes have been built and a few small businesses started, chronic shortages of housing and labour are seen as impeding further development.

One central question which has yet to be answered is just how much emigration to the Falklands the Government is prepared to encourage.

Some MPs suspect that with negotiations with Argentina on subjects other than sovereignty a possibility, it suits officials in London to leave the emigration

issue entirely to the Falklands authorities.

Doubts raised

It strikes them as an absurdity that with hundreds of thousands of building workers jobless in Britain and the islands short of both housing and labour, no organised programme has been arranged.

More basically, doubts are being raised about the chain of decision-making on civil matters in the Falklands, with the Falkland Islands Government seen as the victim of impasses in London.

One suggestion is that given the imbalance between the billions being spent on "Fortress Falklands" and the few millions going to revive the island's economy, the Ministry of Defence has an effective veto.

It is also felt in some quarters that such a situation might suit the Foreign Office, given its perennial concern that serious development of the Falklands' economy under the British flag might be seen as a provocation in Buenos Aires.

But MPs and officials taking an interest in the problem believe the most probable answer is simpler: that responsibility for civil matters in the Falklands is divided between too many Government agencies in London.

And they add the suggestion that even if a single agency were in charge, it might be unable to act effectively without a clearer brief from the Cabinet on just how helpful to Britons and Falklanders wanting to make a go of things it ought to be.

"Belgrano" Tam Dalyell MP has a curious reminder of his cause celebre every time he writes a letter about it on House of Commons notepaper. The watermark of the paper bears the legend "Conqueror," the name of the nuclear submarine which sank the Belgrano and gave Dalyell his most engrossing issue since devolution.

HOME/

Falklands commander to lead food associations

By Hugh Clayton

Major-General Sir Jeremy Moore is to be director-general of two of the leading trade associations in the food processing industry. Sir Jeremy, aged 55, was commander, United Kingdom land forces, in the Falklands conflict.

In July, just over two years after the Argentine surrender of the islands, he will become director-general of the Food Manufacturers' Federation and the Food and Drink Federation.

Sir Jeremy, who found it hard to find a civilian job last year, said the search had left him with "moments of depression". He joined the Royal Marines in 1947 at the age of 18 and retired in 1982 when no job could be found for him in the service.

Last month Sir Jeremy who has three children at fee paying schools, accepted a temporary post as a specialist adviser to the Commons select committee on defence.



Major-General Sir Jeremy Moore: "Moments of depression".

Relations between the two organizations he will lead have often been strained, but the links have been revamped and Sir Jeremy will have the task of making their new relationship work.

Falklands fire

IN YOUR report on the Falklands hospital fire (front page, last week), you state that two years of government inaction "almost certainly" led to the tragic fire causing eight deaths. In such a situation, we urge you to await the outcome of the formal enquiry.

Also, the Falkland Islands government does not fund, nor ever has done, the Falkland Islands Association, whose opinions and actions are entirely separate.

A B Monk
Representative, Falklands
Islands Government
London SW1

The Food Manufacturers' Federation, representing hundreds of companies in the grocery-manufacturing business, was formed more than 30 years ago. Mr Cyril Coffin, its director-general, is a former civil servant in the Department of Trade and Industry who will retire in June.

The Food and Drink Federation is the new name for the Food and Drink Industries Council, founded 11 years ago to give trade bodies including the Food Manufacturers' Federation a more effective voice in Brussels.

Leading figures in the manufacturers federation have wanted to absorb the council or act apart from it. The council will move to the federation's London headquarters in July and Sir Jeremy will be the leading staff member of each organization.

Times 24 4 84

Sinking of Belgrano

From Admiral of the Fleet Lord Lewin

Sir, Perhaps you would allow me to comment on the letter from Mr Arthur Gavshon (April 16). In the epilogue to his book, *The Sinking of the Belgrano*, which he co-authored with Mr Desmond Rice, Mr Gavshon states that he approached the Ministry of Defence in June, 1983, with a request to interview Rear-Admiral Sir John Woodward, Commander Wreford-Brown (the commanding officer of HMS Conqueror) and me. Although the ministry did not permit an interview with the two serving officers, or allow Admiral Woodward to reply to a written questionnaire, the authors were told soon after their initial request that they should approach me directly. This they did not do.

I am quoted in a number of places in the book - Mr Gavshon says my "public utterances were taken fully into account at nine different points". These references are to a number of press, radio and television interviews, of which the press and radio reports were the journalists' distillation of long discussions, sometimes three or four hours. As a journalist, Mr Gavshon must know how much explanatory background

must inevitably be omitted from a finished article and in any case his deduction of my reasoning based on second-hand evidence is often inaccurate. If his book purports to be a contribution to history, he must know how much better it is to use an original source if one is available.

I repeat my statement in the House of Lords: it is a pity that Mr Gavshon and his colleague did not approach me. I could have given them, without any breach of security, what I believe they would have found convincing answers to the nine questions they wished to put to Admiral Woodward and which are listed in the book. Since Admiral Woodward was not in operational command of the submarines and was not responsible for obtaining approval for rules of engagement he was not necessarily the appropriate target for the inquiry.

With the explanations that I could have given had I been asked, Mr Gavshon and Mr Rice might perhaps have produced a better balanced book and made a more valuable contribution to the history of the Falklands War.

Yours sincerely,
LEWIN,
House of Lords.
April 17.

THE LISTENER

19 APRIL 1984 PRICE 50P (IR 83P, USA AND CANADA \$1.50)



‘Poverty imprisons the spirit’
The Bishop of Liverpool’s Dimbleby Lecture

Alexander Chancellor’s Langham Diary
Anthony Clare Truth and treachery
Robert Fox Report from the Falklands

THE LISTENER

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19 APRIL 1984 VOL 111 No 2854

The Bishop of Liverpool's Dimpleby Lecture is reprinted in full. Dr Sheppard received an enthusiastic reception at the Royal Society of Arts in front of an audience drawn from what he would call 'Comfortable Britain'. Politicians, media folk, academics, church dignitaries, businessmen, social workers and the Dimplebys themselves all listened attentively in the ornate and overheated surroundings. Sir Richard Attenborough led the applause and continued clapping when everyone else had stopped. For the first time a discussion was held immediately after the lecture, and highlights were shown on *Newsnight*. Questions were put to the Bishop from various 'expert' plants in the audience, but there was little chance for a reasoned argument in the 20 minutes allowed. We hope to continue this debate in the columns of THE LISTENER in the coming weeks. Incidentally, Alexander Chancellor writes his first Langham Diary, and laments that there is no place in television debates for the ordinary wishy-washy man. The man sitting next to me at the post-Dimpleby discussion would no doubt agree. He had worked with the Bishop during his days in the East End and failed to catch the chairman's eye. He grumbled afterwards, pointing towards the front rows, 'What do they know about it? They're all intellectuals... and in jobs.' R.T.

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Robert Fox: On Fortress Falklands

Two billion on defence; £50 million on the Falkland Islanders

Last week Robert Fox wrote for THE LISTENER about his trip aboard HMS *Endurance* into Antarctica. This week he is back in Port Stanley, looking at what has happened to the Falkland Islands since he was there during the conflict with Argentina. He has found that, while billions of pounds are being poured into the defence of the islands, comparatively little money is being spent on the development of the economy of the islands themselves and he makes clear that the fire at the wood-built hospital in Port Stanley last week might have been avoided if money had been available to erect a building of a less combustible material, following more than one report that the building was a serious fire risk.

Until recently the shield of the Falkland Islands bore a fur-seal and a ship under full sail. On today's coat of arms the fur-seal has been replaced by the sheep, an acknowledgement of the role of wool as virtually the islands' sole export earner. But such is the element of uncertainty about the community's economic and political future that cynics now suggest the sheep might well be replaced by the albatross, which, in their millions, inhabit these latitudes. Despite all the plans and projections, the visits by legions of experts since June 1982, very little has been done to develop the economy. It seems that the Falklands have become victim of the feasibility study of the ancient mariner.

From the days of the first exploration of the southern waters, there has been the myth of a new Eldorado in these seas, that the Antarctic and sub-Antarctic could become a treasure-house yielding hydrocarbons, oil and coal, scarce minerals—even gold. It has been said that as the United States gets into greater difficulties in Central America, with the attendant though marginal risk to the Panama Canal, so the South Atlantic becomes strategically vital: the Falklands and South Georgia could provide bases, particularly for submarines. The film *Scott of the Antarctic* shows Captain Scott holding up a lump of coal to an audience in the Royal Geographical Society in



London and promising riches beyond the dreams of avarice from his new expedition. Exploitation potential in the south so far has been nearer such cinematic fiction than commercial reality, though the Americans and Russians have carried out offshore searches for oil and detailed surveys of the Antarctic zones judged richest in minerals. If there is development, it is not likely to occur until well into the next century; and so much of what Britain is doing in the South Atlantic today appears little more than a holding operation, keeping a foot in the Antarctic door.

In the Falklands themselves, there is a need to indicate some strategic ulterior motive, despite the huge sums being spent (now thought to be in excess of two billion pounds) on the military defences of the island. For example, the new airport at March Ridge is likely to cost well over £300 million by the time the garrison buildings are completed, in the second stage of construction. Already the Royal Engineers reckon they have spent about £300 million on building projects, and the installations for one of the new radar sites cost at least £70 million. By contrast, it is proposed to spend less than £50 million on the development of the economy of the islands themselves—this includes rehabilitation and war compensation.

More than 80 per cent of the money being spent on the big military pro-

jects, like the airport, go straight back to the United Kingdom. The islanders are told that, in the end, they will benefit by having the capital asset of the airstrip itself: as one pessimist put it, 'Then we could have the pullout in the best colonial traditions of the British Empire: build an airport, then go—as they did with Gan.'

Last week, the Falklands Islanders suffered their worst human disaster when eight people died in the fire at the King Edward Memorial Hospital in Port Stanley. Among the dead were a mother and her new-born baby: the father was one of the firefighters trying to rescue them. The wife of the fire superintendent also died, as did the nurse, Barbara Chick, who was trying to rescue them. Stanley and the camp have seen more than a dozen fires in the past year or so: most houses are made of timber and board, and corrugated iron. In four days, nine islanders died, over a half a per cent of the civilian population. But for the assistance of the RAF tenders from the airfield, it would have been hard to control the fire so quickly and more houses might have been burnt. The fire has been a stunning reverse for this fragile community, as last year the native population increased for the first time for more than a decade: there were nine more births than deaths, a bitter irony.

For some years, the hospital was known to be old and in need of repair or replacement, but there were no funds for a completely new building. In the 1970s an expert from the Crown Agents said that an uncontrolled fire would burn the wooden structure in about three minutes. A visiting architect from the Overseas Development Administration reported last year that the wooden part of the hospital should be seen as a major fire risk and should be taken down and replaced within four years. There had been vague plans in the indefinite future for a new hospital, but no allowance could be made for such a project from either the government budget or the £31 million fund for development voted after the Shackleton report was accepted in December 1982. Resources are so limited that hardly any provision has been made for improved educational facilities either. The Shackleton Fund will provide about six million pounds for urgently needed renovation of power, sewage and water utilities. Even so, power cuts and water difficulties are expected in the coming winter.

The subsequent story of the new hospital project has been one of what the Civil Commissioner, Sir Rex Hunt, described in another context about another building plan as 'a combination of Murphy's law and the Falklands factor'. For a time, the plan became a ping-pong ball bounced between the civilian and military administrations in the islands and their counterparts in London, the Overseas Development Administration and the Ministry of Defence. In the short term, it was decided to maintain and repair existing facilities at the hospital, and the Army have built a new wing in Wyseplan Portakabin accommodation. The new wing did relieve congestion and cost £600,000. At the end of February it was opened by Mrs Valerie Spacie, the Commanding Officer's wife. Five weeks later, it burned to the ground in a matter of hours.

In a mere year or so the Shackleton report



But for the assistance of the RAF tenders from the airfield, it would have been hard to control the fire at the hospital in Port Stanley.

has achieved the status of a cross between the laws of the Medes and Persians and the Marshall Plan, though many islanders suggest privately that many of its proposals need revision already. The first report was produced by Lord Shackleton in 1976, after a series of studies and visits in the islands. The second set of recommendations was revised in 1982 after the conflict and there was not time for further visits to the islands themselves. Some of the projects seem unworkable before they were even begun. A study on salmon-ranching suggested there would be no return on investment in eight years and, even then, a profit could not be guaranteed. Deep-sea fishery plans are largely predicated on the creation of a 200-mile protection zone, a political and diplomatic impossibility in today's international climate.

Apart from fishery, the main accent in the report is on the improvement of farming, and the breaking up of the larger estates into smaller holdings. A land-purchase programme has begun already and will be taken over by the new-born Falklands Islands Development Corporation. Here again there seems to be a peculiar Falklands factor at work. The first estate to be sold after the conflict was that of Packe Brothers on West Falkland, for which the Falkland Island government was paid half a million pounds, including a valuation of £50,000 for the development potential of the new village in the settlement of Fox Bay East. The new owners have been farming their land since September, yet few have had any documentation of what the terms of their mortgages from the government will be. Very little assistance has been given in drawing up accounts, assessing cash flow, and the requirement for working capital. At Packe's Port Howard, Jimmy and Ginny Forster have acquired 14,600 acres and just over 3,000 sheep; they think they have borrowed 90 per cent of the £60,000 asking price at an interest of 11 per cent. So far, they have seen no deed of sale or mortgage contract, and they have little idea of what their rates of repayment will be. Jimmy and Ginny work up to 12 hours a day.

In the mornings Ginny gives her two girls two and a half hours of lessons, as they are visited by a travelling teacher one week in six, if they are lucky. In the afternoons, she helps her husband, a former steelworker from Stockton, by digging and carrying peat, repairing fences and gathering sheep. For the present they are unlikely to be better off than when Jimmy was earning about £4,000 a year as section manager at Dunnose Head. The lack of expert advice being given to the new farmers of the Falklands, whether over the account book in the kitchen or in the fields, is surprising. The Falkland Islands Development Corporation, headed by the former Booker McConnell executive Mr David Taylor, is about to appoint a farm management advisory officer, and this in addition to a corporation manager, an agricultural officer and development officer appointed by the Government already, and a revamped agricultural research and development centre with a budget of £2.5 million from the Shackleton Fund. Most of the small farmers I met said that what they would welcome most was the help of a good farm secretary to go over their books with them for about half a day every few months.

One of the most important new projects envisaged by the Shackleton report on West Falkland is a wool mill at Fox Bay East which will cost £140,000. The wool mill was planned well before the Argentine invasion and is a brainchild of Richard and Griselda Cockwell, but such have been the difficulties in mounting the project that the plant is unlikely to be working much before the next shearing season. By that time the development programme envisaged by Lord Shackleton will have little more than three and a half years to run. Experimental fishery and grassland schemes are due to end by the beginning of 1988 and the salary of the chief executive, David Taylor, is only budgeted until the end of that year. The wool mill is supposed to be the centre of a new village, the first of its kind on the Falklands, as it will not be dominated by one single farm or estate, at Fox Bay East. New power generators, and other services need to be installed to service the mill and the houses. But now it seems that such a small community as the Falkland Islands can only support one large village or town settlement

THE LISTENER

Next Week

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and that has to be at Port Stanley. Richard Cockwell hopes to sell his fine woollen products in Britain, Europe and America; but if he wants to make an international phone call he will have to take a trip to town by aircraft.

One of the largest items of expenditure in the Falkland Islands Development Corporation is on salaries, air fares to Britain and supplements for the people working on the Overseas Aid Scheme and Technical Co-operation programme. Conservatively, this is estimated at £3.5 million for the five years, but it is likely to be a lot more. Administration in the islands is a curiously top-heavy affair. At Government House, Sir Rex Hunt has three career diplomats working for him, a personal assistant and two typists, where his predecessor but one worked with the chief secretary, who also looked after the government, and one personal secretary. Since the conflict, the number of Foreign Office and Overseas Development Administration staff has risen sharply. 'Never have so few been governed by so many,' one islander has quipped. By contrast, there is very little money to spend on repairs and renovations, as the hospital saga shows. For years there has been an appeal for a much needed swimming-pool in Port Stanley itself. Following that appeal a fund was opened for a monument to the dead of the recent campaign. Like many things in Stanley, this has been begun but is nowhere near completion. It has a garish relief, depicting a battle scene rather like a Roy Lichtenstein screen-print. Both appeals are highly controversial, giving the atmosphere of a cross between Clochemerle and Ambridge, with aggravation in the little port.

The fact is that the Shackleton plan and the rehabilitation programme are endeavouring to repair years of neglect in a matter of five years. The economy was creaking long before the Argentines arrived and the population was becoming progressively older. Essential parts of the infrastructure of the farm economy of the islands was simply never built, such as an all-weather track or road network to the main settlements. This meant there was no possibility of distributing dairy products or commercially grown vegetables. Sir Rex Hunt now believes that when the Shackleton money goes at the end of five years, there will have to be another development fund for a further five. The biggest secondary industry in Port Stanley today is the sale of stamps, and is likely to remain so for some time. The town has had five new cafés in the past two years, a baker and a less than profitable mini-brewery. A bank has been set up, but it refuses to cash most British cheques. Most islanders would like to see action in three crucial areas in the immediate future: housing, schools and better utilities. They know it is hard to sell the image of a frontier land full of southern promise which appealed so much to the urban romantics in Britain in the summer before last. The hospital fire underlines the need for improvement of essential amenities in Port Stanley and many hope the inquiry into the accident will bring a more practical approach to the management of the Falklands economy.

In collaboration with Brian Hanrahan, Robert Fox wrote a book about the Falklands campaign: 'I Counted Them All Out and I Counted Them All Back'. BBC Publications £1.95.

David Watson: The miners' strike Life on the picket line settles into a routine

As the miners' strike enters its sixth week, David Watson, who has reported from the picket line almost daily, writes about the attitude of the miners in the North Derbyshire coalfield, traditionally the barometer of NUM national opinion.

Every weekday morning at four o'clock, for the past six weeks, miners have left their terraced homes in Bolsover and walked the one mile to the colliery deep in the heart of the North Derbyshire coalfield, each man conscious of his role in a dispute which, like no other, has set miner against miner—often in the same family. When they reach the brow of the hill which overlooks the pit, the scene below is of a noisy, hostile and jostling crowd of 300 miners, already picketing the main gates. A sea of uniformed police officers lines the road, hemming in the mass of pickets.

It's a familiar sight for the men just arriving. Once there, they line up on the picket line alongside friends and miners whom they've never met before, who've travelled from other pits and coalfields.

Just after 5.30am, the first of the works service buses arrives, and the atmosphere becomes electric. A crescendo of insults fills the still air and the battle begins. Police link arms and await the inevitable surge from the pickets. The insults mount: 'You bastards! Save your jobs!' 'What's the use of going in to work today if there's no work tomorrow?' Men pass quickly through the colliery gates and into the pit, while behind them the noise subsides. The pickets, having given verbal vent to their fury, await the next arrival of men, clocking on for the 6am shift.

Just as quickly as the mood became ugly,

so it calms. Jokes and banter are exchanged between pickets. A police officer asks for a cigarette from a picket, who quickly tells him where to go. Everyone laughs. For some of the police there it's their first time in Derbyshire, and for still others it's the first time they've been involved in picket control.

At seven o'clock, the crowds disperse. The police regroup in special rest centres. Pickets return home. All await a repeat of the morning's events in just four hours' time, when the afternoon shift arrives.

In the North Derbyshire coalfield, with its nine pits, Bolsover colliery is in the role of pig in the middle. Although geographically Derbyshire, the colliery is traditionally worked by Nottingham NUM members who, as a result of the anti-strike vote among the Nottingham miners, are continuing to work. Union officials are both confused and annoyed by this, and, as a way out, they see a total stoppage as the only remedy.

The pit's miners are in a hopeless dilemma, summed up by a miner with 14 years underground. 'Let's face it, the situation's a mess. Do we uphold the trade union principles of not crossing picket lines, or do we go to work and bring in the money needed by our families?' That's a question which one miner's wife answered quite simply: 'Mining has never been easy, but it's not difficult to see that while there might be work today, there might not be tomorrow. We came to Bolsover from Scotland. Told the pit would be open for 23 years, we're now told it'll shut in five.'

The Derbyshire coalfield has long been the barometer of national opinion among NUM members. So, in an area vote where there was a narrow majority in favour of working, some saw this as an indication of the national mood. Then, within a few days, North Derbyshire's 11,000 miners were thrown into disarray when the area council of the NUM



'As quickly as the mood becomes ugly, so it calms'

How a Royal

Navy diarist saw death of the Belgrano

A FIRST-hand account from a diarist aboard HMS Conqueror, the nuclear-powered submarine which sank the Argentinian cruiser, the Belgrano, during the Falklands war, sheds new light on the cruiser's movements and the frustration among the British task force commanders as they attempted to find and destroy the Argentinian fleet.

That frustration led Rear Admiral Sandy Woodward to seek and obtain a change in the rules of engagement to enable the Conqueror to attack the Belgrano outside the total exclusion zone. A second request, to allow the Conqueror to attack surface ships within Argentina's 12-mile coastal limit, was refused, though the Conqueror at one point was to within six miles of the coast.

The existence of the diary was disclosed on last night's BBC Panorama programme devoted to the Falklands campaign and the controversy over the sinking of the Belgrano.

The anonymous author raises questions about the difficulties Whitehall claims it experienced in trying to intercept Argentinian signals, and offers a remarkable in-

Left: Official confirmation circulated to the Conqueror's crew of the submarine's engagement with the Belgrano.

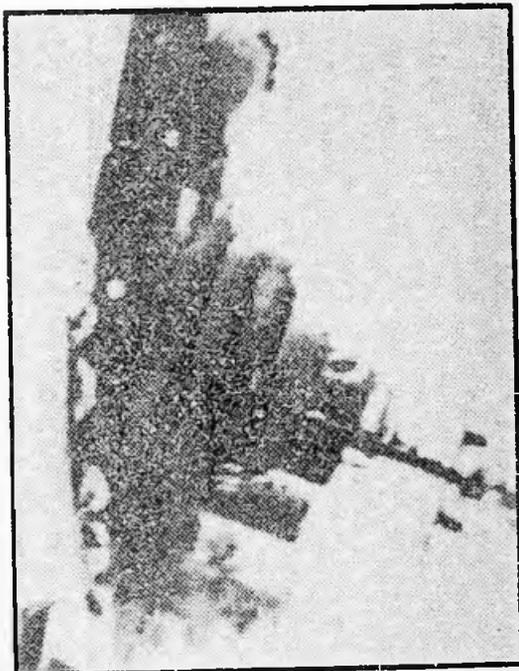
A crew member of the British submarine Conqueror tells of the tensions and frustrations which preceded the sinking.

Richard Norton-Taylor reports

sight into the tensions inside a nuclear-powered submarine in a war thousands of miles from its Clyde base and suffering from mechanical problems.

On April 30, 1982, the day after the diarist describes the Conqueror as "clearly screaming out for a refit," the submarine was heading for an area south of the Falklands where the threats are from the cruiser Belgrano, an ancient ex-US second world war ship with no sonar or anti-submarine warfare capability, two equally decrepit Allen Sumner class destroyers and an officer."

By evening the Conq...



had picked up faint signatures which on May 1 turned out to be the Argentinian surface group. The submarine closed to within 4,000 yards of the ships in the morning. They were refuelling, and according to the diarist would have made "a superb target." "Unfortunately," he added, "they are still south of the exclusion zone."

On May 2, the Argentinian ships were described by the diarist: "Well, they're not stupid — they spent the night meticulously paralleling the exclusion zone, about 18 miles to the south of it. Frustrating! They're doing about 13 knots, appearing to be cruising on quite uncon-

cernedly — no zig, no sonar transmissions, and only the occasional radar sweep." Early that afternoon, after trailing the Belgrano for more than 25 hours, the Conqueror received a signal from London authorising it to attack the cruiser outside the exclusion zone. At about 1600 hours it fired three Mark 8 torpedoes, dived, and steamed away at full speed.

Over the next few days, the diarist records a mixture of elation, and fear among the Conqueror's crew (they seemed to be coming under attack from depth charges, possibly from an Argentinian Neptune aircraft), and "reflexes on the 'enormity' of what they had done. Later

that day they received another signal, quoting Oscar Wilde: "Brandy is for heroes," it said. Three days later the diarist said that he hoped his new philosophical mood was justified "and that this bloody stupid business can be finished soon."

On May 10, the intelligence the task force had been receiving is described as impressive. "Indeed, without it," the diarist says, "we would never have achieved what we have. We are evidently able to intercept much, if not all, of the enemy's signals traffic. The boys in Cheltenham (a reference to GCHQ) knew their stuff."

Yet the task force commanders were still unable to find their greatest potential prize, the Argentinian aircraft carrier 25 de Mayo. At the beginning of June, the diarist records that Admiral Woodward had a request to sink the Argentinian destroyer Hippolyte Bouchard, inside the 12-mile coastal limit, refused by London. He notes that the task force commanders must have been "exceedingly frustrated."

After days of searches, often in shallow water, and reports from intercepted signals that the Argentinian fleet was leaving port and steaming south, the Conqueror closed to within six miles of the Argentinian coast in the Gulf of San Matias on June 9.

"We must be mad," records the diarist, "but an-

other nuclear first for CNOX (the Conqueror). Unfortunately(?) we found nothing of interest."

A few days earlier the Conqueror, which had had problems transmitting messages, surfaced to investigate wire caught in the propeller. As Desmond Rice and Arthur Gavston record in their book, The Sinking of the Belgrano, Petty Officer Graham Libby volunteered to fix it.

In The Sinking of the Belgrano, which also gives an account of the Conqueror's movements, the authors point to the Government's white paper, The Falklands Campaign, The Lessons, that Britain warned Argentina on April 23 that any approach by Argentinian ships or aircraft which could amount to a threat to the task force would be "dealt in appropriately."

This raised the question—posed many times by Mr Tam Dalyell, Labour MP for Lintithgow—why the Conqueror did not attack the Belgrano when it first spotted the Argentinian surface group on May 1.

Critics of the war argue that the timing of the attack was at least curious given intense diplomatic negotiations between the Argentinian junta, the Peruvian government, and Mr Alexander Haig, then US secretary of state, who was in Washington with the then foreign secretary, Mr Francis Pym during the weekend of May 1 and 2.

Belgrano sinking 'boosted military standing'

The Guardian 17/4/84

The sinking of the Belgrano could have aided a negotiated solution to the Falklands conflict, Mr Cecil Parkinson said last night.

Mr Parkinson, a member of the Falklands' war cabinet which gave permission for the Argentinian cruiser to be attacked, said: "I believed it was essential to the success of the diplomatic initiatives that we maintained our military credibility. I think the sinking of the Belgrano was a necessary part of maintaining that credibility."

Interviewed on BBC TV's Panorama, Mr Parkinson said there was no question of saying "We will sink the Belgrano and get on with the war." The war cabinet was aware of the continuing search for a negotiated settlement.

He added: "We said we must keep up the military pressure and we must pursue negotiations, and we were faced with a decision. There was a danger to our fleet and we had an opportunity to reduce that risk and we took it. That did not torpedo the diplomatic initiatives."

Lord Lewin, the chief of defence staff at the time, admitted on the programme that the Belgrano was sunk when it was not an absolutely immedi-

Conqueror crewman's diary, page 5

ate threat to British surface ships.

He added: "She did not become an immediate threat because we sank her."

Lord Lewin said the Belgrano was "a threat as long as she existed."

Lord Lewin said it took the war cabinet 20 minutes to decide to allow the nuclear submarine Conqueror to attack the cruiser outside the exclusion zone.

During the programme, different versions of the progress of peace talks on the day the Belgrano was sunk were given by former US Secretary of State Alexander Haig and the former foreign secretary, Mr Francis Pym.

General Haig said discussions on a Peruvian peace initiative "were down to words."

Asked whether the proposals appeared to be acceptable to Britain, he replied: "We arrived at some articulations that appeared they might be."

But Mr Pym contradicts the US peace envoy's memories. He said of the talks he had with General Haig just before the Belgrano was sunk: "There was no text discussed between us, no actual words. We discussed ideas and headings. But there was no actual piece of paper with a text."

"If it had been like that then of course it would have been different. I would have been in touch with London right away about the words."

There was nothing of "substance" for him to make a special report to the Prime Minister about, he said.

Panorama claimed to have been told that the Argentine airforce had launched an attack on the British task force on the day before the Belgrano was sunk. But the mission had to be aborted, the programme said, because of in-flight refuelling difficulties.



HMS CONQUEROR
c/o BFPD Ships

ARGENTINIAN SHIP 'GENERAL BELGRANO'

Sunk by HMS CONQUEROR at 1558 (Local) (1858 GMT) on the afternoon of Sunday 2 May 1982.

Position: 55°30' South 61°40' West
95 miles South West of Isla de los Estados
210 miles South of West Falkland Island

Three Mark 8 Torpedoes fired. Two hits. The third weapon hit the escorting destroyer HIPOLITO BOUCHARD but failed to detonate.

Each weapon contained 810 lbs of Torped High explosive.

- a. The first Nuclear Submarine ever to carry out an attack.
- b. The first British submarine to carry out an attack since World War 2.
- c. Probably the most Southerly engagement in the history of the Royal Navy.

Pym denies Falklands peace deal

By Anthony Bevins
Political Correspondent

The Times 17/4/84

Mr Francis Pym, the former foreign secretary, said there had been no sign of a diplomatic breakthrough on the Falklands on the day the Argentine cruiser, the General Belgrano, was sunk in 1982.

Last night's BBC *Panorama* reconstruction of the events surrounding negotiations on a Peruvian peace plan and the sinking of the cruiser hinged on Washington talks held between General Alexander Haig, then the United States Secretary of State and Mr Pym on the morning of May 2, 1982.

Mr Pym says in the programme: "There was no text discussed between us on Sunday. We discussed ideas and headings."

But General Haig says that after having worked on the plan proposed by President Belaúnde Terry of Peru on the Saturday, May 1, the Sunday talks with Mr Pym were substantive. "We were down to words, single words and specifically in two paragraphs of the six points."

Mr Pym, who has consulted his papers, flatly contradicts that version of events. He says: "There was no actual piece of paper with a text being altered. It was nothing like that."

"There was nothing that was happening that day which would in any way have enabled me to suggest that something was happening of such importance that things might be looking different on the following day."

Mr Pym adds that if General Haig had been on the verge of a breakthrough he would have asked him to stay in Washington. Instead, Mr Pym left, on schedule, for an appointment at the United Nations in New York.

Meanwhile, at Chequers, the "war cabinet" decided to change the rules of engagement, under which HMS Conqueror torpedoed the Belgrano outside the exclusion zone at 8pm London time. It took the "war cabinet" 20 minutes to come to a decision.

Lord Lewin, then chief of the defence staff, said on *Panorama*: "She was not an absolutely immediate threat to our surface ships. She didn't become an immediate threat because we sank her."

The Prime Minister has stated: "The first indications of the possible Peruvian peace proposals reached London from Washington at 11.15pm London time." Mr Pym had already left for New York.

McMillan-Scott Associates *Public Affairs*

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Pym denies Haig's Peru peace claim

By ROBIN GEDYE
Diplomatic Staff

MR PYM, former Foreign Secretary, has categorically denied an assertion by Mr Haig, Secretary of State in Washington during the Falklands crisis, that he was shown substantive Peruvian peace proposals before the cruiser Belgrano was sunk.

During a BBC 1 "Panorama" programme shown last night, Mr Haig also appeared confused over the timing of a meeting with President Belaunde of Peru.

According to Mr Haig's memoirs, serialised in THE SUNDAY TELEGRAPH, the meeting took place on May 2, but on television he said the extended discussions over the Peruvian peace plan were on May 1, the day before the Belgrano was sunk.

Sovereignty 'terms'

During the programme Mr Haig denied having told members of the Argentine junta that Britain was not ultimately concerned about sovereignty of the Falkland Islands. But he was shown telling Argentine leaders on April 17.

"I can't speak for Mrs Thatcher. At times I don't speak very well to her. But I know they don't care about the sovereignty of the Islands. They are prepared to negotiate, but we must remember to do it gracefully and on honourable terms.

"I am personally convinced Britain wants this problem off the plate. They will never be able to face another crisis of this kind."

Mr Haig claimed that he spoke by telephone to Mr Pym on Saturday, May 1, the evening that the Foreign Secretary arrived in Washington. Discussions the following morning (the day the Belgrano was sunk) were "down to words, single words, and specifically in two paragraphs of the six points."

'Ideas discussed'

Mr Pym, however, denied that he ever spoke to Mr Haig about the Peruvian peace proposal on Saturday night and said of the Sunday meeting: "No text was discussed between us. No piece of paper; no actual words. We discussed ideas."

He said that if there had been any substantial proposals made at that time, he would not have left Washington that day.

"Panorama" showed evidence that the cruiser Belgrano had begun to mount a pincer attack movement with several other Argentine warships on the day before she was sunk. She broke off her action shortly before being hit.

The programme claimed that Argentina had despatched a Super-Etendard fighter armed with an Exocet missile on Saturday to sink a British warship, but in-flight refuelling failed and the plane had to turn back.

BELGRANO SINKING

'Not an immediate threat'

The Argentine cruiser General Belgrano, 11,000 tons, was sunk when she was "not an absolutely immediate threat to our surface ships," said Adml Lord Lewin, Chief of the Defence Staff at the time of the Falklands conflict.

Interviewed last night during BBC 1 "Panorama," Lord Lewin said: "She did not become an immediate threat because we sank her." But he added during the same programme that the Belgrano was "a threat as long as she existed."

He said it took the War Cabinet 20 minutes to decide to allow the nuclear submarine Conqueror, 4,400 tons, to attack the cruiser outside the Falklands exclusion zone.

Military credibility

Mr Cecil Parkinson, a member of the Falkland's War Cabinet when it gave permission for the Argentinian cruiser to be attacked, said during the same "Panorama" programme:

"I believed it was essential to the success of the diplomatic initiatives that we maintained our military credibility. I think the sinking of the Belgrano was a necessary part of maintaining that credibility.

"Here was a danger to our Fleet and we had an opportunity to reduce that risk and we took it. That did not torpedo the diplomatic initiatives."

But Opposition MPs are certain to say that the sinking of the cruiser—with the loss of 586 lives—ended all chances of a negotiated settlement.

The Daily Telegraph
17/4/84

Errors that fuelled Falklands fire

by John Shirley
Chief Reporter

TWO YEARS of government inaction over the future of medical facilities on the Falkland Islands almost certainly led to the death of eight people in the Port Stanley hospital fire.

Failure to resolve a sensitive inter-departmental dilemma - whether to build two new separate hospitals for the 6,000 servicemen and 1,800 civilians on the islands or combine them in one building - meant that the government:

- ignored five official reports - the latest made less than 24 hours before last Tuesday's blaze - warning of fire hazards and overcrowding in the old hospital;

- failed to install minimum safety precautions, such as a regular water supply for fire alarms;

- refused to carry out minor structural work, including electrical rewiring and resiting of the boiler house to improve safety;

- used a procedural technicality in the house of commons to prevent MPs discussing the dangers at the hospital.

In contrast to this civilian inactivity, 20 soldiers billeted in the hospital attic were last year evacuated specifically because of the fire risk. When last week's blaze broke out, special fire-doors and emergency exits installed in the military wing enabled military patients and staff to escape.

The formal inquiry opens in Port Stanley next Thursday. The four-man team consists of the island's attorney-general, Michael Gaiger, in the chair; the military chief-of-staff, Colonel Tim Toyne-Sewell; a local councillor, Tony Blake; and Eric Goss, a Falkland Islands Company farm manager. A home office fire inspector is flying from London to give technical assistance.

The inquiry's terms of reference have yet to be finalised but already there are fears that vital

evidence may have been destroyed. Last Wednesday bulldozers cleared away the charred ruins of the hospital, a two-storey corrugated-iron and wood structure built in 1914 to house casualties from the First World War naval battle of the Falklands.

Islanders are concerned they will not get a fair hearing. Legal aid is not available in the Falklands and there are no local solicitors to represent the families of the dead. Last Friday, the Medical Defence Union unofficially hinted that it might fly out a legal team to represent hospital staff.

Preliminary inquiries suggest that the blaze started either in the basement boiler-house or the solarium, housed in a wooden building next to the geriatric ward. The alarm was

raised by a military doctor on his rounds shortly before 4 am.

Four RAF fire-fighting teams and naval helicopters went to the scene. At one stage, more than 200 servicemen were involved in evacuating patients. A fleet tug, the Irishman, stood by to pump sea water. Ironically, the local Port Stanley fire brigade used an Argentinian fire tender captured at the end of the conflict two years ago.

It is now clear, however, that the rescue operation was hampered by hopelessly inadequate fire precautions in the buildings. There were no internal fire-doors in the civilian wing. Although new fire hydrants and hose reels were installed two months ago, they had not been connected to the town's main water supply. Above each hydrant was a notice stating: "Do not use: no water."

The only fire alarms were hand-cranked bells which would not be triggered off automatically by smoke or rising heat.

Although temporary fire escapes were constructed last year by military personnel for patients on the upper floor, there were no emergency exits at ground level.

The Sunday Times has discovered that the British government has been aware of these dangers for two years.

Within days of the liberation of Port Stanley in June 1982 John Brodrick, island public works director, wrote a confidential report to Whitehall warning that if fire broke out in the old people's wing, it could be uncontrollable within three minutes. He recommended improvements in the water supply and the replacement and resiting of the boiler - a dangerous and erratic piece of equipment built in 1948. He pointed out that the boiler, in a basement below a ward, could pose a grave hazard if it exploded.

Continued on page 2

Falklands fire warnings ignored

continued from page 1

Two months later, two local government electricians, George Sturch Edwards and William Burrige, urged a speedy rewiring programme. By installing extra facilities, the military personnel was dangerously overloading the circuit, they claimed. (Since the Falklands war, the military has added a 23-bed unit and maintained emergency facilities for 50 casualties as well as operating facilities. The hospital previously had only 27 beds.)

Last June, Dr Penny Key and June Allen, medical advisers from the overseas development administration, reiterated Brodrick's concern in a memo to Whitehall. They claimed that several nurses had returned to Britain because they were disgusted by the lack of fire precautions. The same month, Dr Alison Bleaney, the Falklands senior medical officer, flew to London to warn defence ministry and overseas development officials of the dangers.

When Robert Key, Conserva-

tive MP for Salisbury MP for Salisbury - and the brother of Dr Penny Key - attempted to raise Bleaney's concern in the commons, he was told it could not be discussed because the hospital was the responsibility of the Falkland Islands government.

Last Monday, less than 24 hours before the fire broke out, Bleaney reiterated her complaints about the inadequate water supply to the fire committee in Port Stanley. She was told that the public works

department was tied up installing a central heating system at Government House and could not help.

Even an official publication by the Falkland Island Association, a pressure group funded by the islands government, has publicly pointed out the dangers. In a prospectus designed to attract new immigrants it warned just after the Falklands war: "The electrical system of the hospital is grossly overloaded."

Pym tells of Belgrano 'distortions'

By JOHN BULLOCH
Diplomatic Staff

THE man who took over from Lord Carrington as Foreign Secretary at the time of the Falklands crisis will be giving his version of the Belgrano sinking on television tonight.

Mr Francis Pym, a noted Tory rebel after voting against the Government in last week's local government debate, will be speaking on "Panorama" in a programme that will also feature Mr Haig, the American Secretary of State in 1982.

In an exclusive interview in THE SUNDAY TELEGRAPH yesterday Mr Pym stated categorically that the Argentine cruiser Belgrano was sunk for purely military reasons before a Peruvian peace plan was far enough advanced for Britain to be in a position to accept it.

The sinking of the Belgrano by a British submarine, with considerable loss of Argentine life, was one of the most controversial acts of the Falklands war. Mr Tam Dalyell, Labour MP for Linlithgow, has been waging a campaign urging a judicial inquiry into the whole affair.

'Deliberate distortion'

In his interview with THE SUNDAY TELEGRAPH, Mr Pym said there had been "deliberate distortions" of the events of May 2, the day the British Cabinet gave the order that led to the sinking of the Belgrano. Mr Pym said that the Peruvian peace plan was not finalised until four days later.

Mr Haig, who was working on the plan with the Peruvian President, has said in his memoirs that the peace plan "had gained acceptance before the Belgrano was sunk."

Mr Pym, who was in America and having talks with Mr Haig at the relevant time, said: "There was no document on May 2. There was no acceptance in principle."

"As far as I am concerned, May 2 was only one day in a period of seven weeks, no more or less important than any other day in the search for an agreement."

Mr Pym's detailed account of his movements on May 2 in America, and the times given for messages from the British Embassy in Washington to London, led some critics to think that there was a real conflict, and perhaps differing recollections, between the two men most closely concerned.

FISHING THREAT TO FALKLANDS' WILDLIFE

A dramatic increase in fishing by Russia and other countries around the Falklands is threatening the extinction of wildlife, says Wildlife Link.

Mr Stanley Johnson, president of the European Parliament's Animal Welfare Group said: "There is a growing concern that we are not protecting the unique wildlife resources of the Falklands and South Georgia by our failure to effect an adequate fisheries regime."

The exploitation "poses a potential serious threat" to seal, penguins and other wildlife. He wants the Government to declare a 200-mile exclusive fishing zone around the Falklands.

NOTE CRITICISED Argentina dissatisfied

OUR BUENOS AIRES CORRESPONDENT reports: The Argentine Government considered Britain's latest proposal to normalise relations between the two countries "unacceptable" and "unsatisfactory," a Buenos Aires newspaper reported yesterday.

The newspaper, CLARIN, quoted a senior diplomatic source as saying that the British Note was unacceptable because it completely excluded any mention of negotiations on the sovereignty of the Falkland Islands.

The source said that the Note merely reiterated Britain's willingness to re-establish commercial relations and repeated possible points of discussion mentioned in previous diplomatic exchanges.

Falkland firms deny 'buy British' order causes problems

By Paul Keel

The consortium building the £215 million airport in the Falklands and the government department which awarded it the contract denied yesterday that the obligation to "buy British" was either being ignored or causing problems.

When the Government placed contract with the Mowlem, Hg, Amey Roadstone consortium last June, it insisted for commercial and political reason that all materials and equipment involved in the project should be of British origin as far as possible.

The consortium, and its subcontractors, are obliged under the terms of the deal to seek permission from the Property Services Agency — the government department handling the contract — whenever they feel it necessary to purchase such materials from overseas.

But according to an article in yesterday's *Engineer*, management's weekly publication, some companies have found the requirement impossible to meet without paying more for components.

"Despite the Government's keenness to portray the project as a triumph for British engineering ability and British goods, the construction consortium handling the job is being forced to turn to suppliers from Italy, France and Sweden," the article claimed.

The report focuses on concern over the amount of British-made

components in the fuel tank depot that will service the wide-bodied commercial and military aircraft due to start using the airport next year.

A director of the Merseyside company involved in building the depot project is quoted as saying that he had to purchase components, including pipework and tank fittings, made in Sweden and France. The director said that he faced an uphill battle in trying to find a supplier in Britain.

Another company involved was apparently offered Danish carbon steel at up to £30 a tonne cheaper than the equivalent British product.

But a spokeswoman for the construction consortium said yesterday that there had been few occasions when it had been required to seek permission from the Government to buy materials or equipment from abroad.

The main exceptions to date were some Swedish and American made earth moving equipment and, more recently, Italian-made coated culverts which would be a temporary installation. "The amount we are talking about is fairly insignificant," she said.

The Property Services Agency said the amount of non-British material involved in the project was insignificant. A spokesman said the Government was still confident that the terms of the contract were an effective guarantee for the "buy British" policy.

The Times 16/4/84

Falkland offer 'unacceptable'

From Douglas Tweedale, Buenos Aires

Britain's suggestions for normalizing relations with Argentina, severed since the Falklands War in 1982, are "unsatisfactory" and "unacceptable" to Buenos Aires, a leading Argentine newspaper reported yesterday.

Quoting "high diplomatic sources" in New York, the daily *Clarín* said that the latest British ideas in an exchange of

notes that began earlier this year do not meet Argentine expectations because they leave aside the issue of sovereignty over the Falklands which is central to the Argentine position.

The Foreign Minister, Señor Dante Caputo, and most of the top diplomats dealing with the dispute have been in the United States on a week-long trip aimed at building closer ties

with Washington. Señor Caputo was due to return yesterday.

Clarín revealed that the British proposal delivered on April 6 "reiterates the four points of its initial suggestion", which suggested restoring commercial and trade relations, renewing direct air flights between the two countries, and allowing the repatriation of the bodies of Argentine soldiers

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Obs
15/4



The Observer
15/4/84

PENDENNIS

PETER HILLMORE

Gould dig

THEY certainly know how to conduct vendettas in a most genteel fashion down in the country. Sending people unwanted parcels of



Diana Gould: Spot on.

knitted scarves and porcelain plates by post is a very respectable form of harassment.

But it's still very annoying, especially if the scarves and pullovers are the wrong size, and the plates are the wrong colour. It has also meant that Diana Gould has had to refuse to pay bills for the unwanted mail order goods that arrive at her home, and she has had to ask the Post Office to stop delivering.

The explanation of how Mrs Gould annoyed 'someone who lives in Swindon' is that she achieved something which eluded people like Sir Robin Day and Brian Walden during the last election—getting Mrs Thatcher nervously rattled on television in front of millions. It was Mrs Gould who asked

those embarrassing questions on 'Nationwide' about the sinking of the Belgrano.

This memorable achievement gave Mrs Gould much more than the statutory 15 minutes of fame—and she has now written a book about the Belgrano sinking, entitled 'On the Spot.' Its publishers are waiting until they know the exact date of the publication of Alexander Haig's memoirs, and are then putting out the Gould version on the same day. 'It's only a short book, and it is based entirely on my own researches; I think there are still a lot of questions to be answered.' Considering how many errors there are in the Haig version (serialised in the *Sunday Telegraph*), Mrs Gould will probably have him rattled and nervous as well.

The Financial Times 16/4/84

Genscher to visit Buenos Aires in bid to boost ties

BY RUPERT CORNWELL IN BONN

WEST GERMANY'S Foreign Minister, Herr Hans-Dietrich Genscher today travels to Argentina in a bid to boost economic ties between the two countries, and strengthen relations between the EEC and the four-month-old civilian Government in Buenos Aires.

His three-day visit is the first to Argentina by a Community Foreign Minister since President Raul Alfonsin came to power last December 10.

One of its important, if discreet purposes, according to Bonn officials, will be to explore the chances of proper talks between Buenos Aires and London in the wake of the Falklands crisis, which still casts a shadow over links between the EEC and Argentina.

The major ostensible theme, however, will be the extension of economic co-operation between West Germany and Argentina.

Herr Genscher's party includes 19 leading industrialists and bankers. Their aim will be to seek ways of increasing West German fixed investment in Argentina, currently standing at DM 1.4bn (£466m) and enlarging trade between the two countries.

This last can at present only take the form of greater purchases by West Germany of Argentina products. Crippled financially by foreign debts of \$43.6bn (£30bn) Argentina plans to cut imports and boost its trade surplus to \$4.5bn in 1984.

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SCOTT: Protest

Penguins cause a flap

PROBLEMS for Central TV's new epic about Captain Scott of the Antarctic.

First, the explorer's son, naturalist Sir Peter Scott, took legal action against the book on which the film is based.

Then someone decided to turn the story upside down and film it at the

wrong end of the world. One snag: No penguins in Greenland. The filmmakers wanted to ship the birds there, but realised there would be protests from naturalists — like Peter Scott.

Now Central has dropped the plan to use penguins at all. They could always call it Scott of the Arctic.

Another trip for the tumble-down Governor



POSTED: John Massingham

THE Governor of lonely St Helena, who last week fell so spectacularly while jumping off a boat with Prince Andrew, faces another trip . . . to a new job.

Pith-helmeted John Massingham is being moved, rather early Foreign Office gossips say, to a grim-sounding diplomatic post in Kaduna, northern Nigeria.

For Massingham, who has something of a name for falling over and off things, the place has the blessing of being 500 miles from the sea. 'I'm fond of riding though, and I suppose there'll be horses to fall off there,' he tells me wistfully on the echoing line from the South Atlantic.

The Governor, literally sprang into the public eye when film of his fall was shown on television and must now rank as St Helena's most famous resident since Napoleon.

'What I can't understand,' the 54-year-old diplomat asks, 'is why everybody says I fell in the sea. I didn't actually get wet.'

'It certainly did hurt. I bruised my foot quite badly and it was very sore throughout the Prince's visit. But it's getting better now.'

'I think it is the Governor's privilege to fall over himself in front of distinguished visitors.'

Massingham returns to his home in Pershore, Worcestershire, in a fortnight for a break before taking up his new post. He has been Governor of St Helena, Ascension Island and

Tristan da Cunha for three years.

The gauche Governor, who lists among his recreations in *Who's Who* 'avoiding physical exercise,' will not be sorry to see the last of life by the ocean wave.

'It's not the first time I've fallen on that jetty,' he confided. 'It's very slippery and I always seem to have the wrong shoes.'

He'll have more than his footwear to worry about in Kaduna. Northern Nigeria is currently the scene of a violent religious civil war. A thousand people were reported killed in the district last month alone.

Falklands: Time for Maggie to negotiate

EXCLUSIVE

By PETER SIMMONDS

MRS THATCHER has found herself out of step with voters over the best way to bring lasting peace to the Falklands.

Most people believe she should negotiate with Argentina over sovereignty of the islands — the one issue on which she refuses to budge.

The message from voters to soften her hardline stance emerges from a National Opinion Poll conducted for The Mail on Sunday two years after the Task Force sailed.

The poll shows little weakening in the British conviction that we were right to throw the Argentines off the islands. And 60 per cent thought the deaths of servicemen two years ago were worthwhile.

Nevertheless, Mrs Thatcher is likely to be severely embarrassed that she is so clearly out of step with the British people over her refusal to talk about sovereignty. Voters do, however, overwhelmingly back the idea that the Falkland Islanders themselves should have the last word on their future.

Unwavering

The Prime Minister hopes by June to have opened direct talks at senior diplomatic level with Buenos Aires over the resumption of trade links and air flights between the Falklands and Argentina, but with her insistence on being unwavering that there can be no discussion of sovereignty.

NOP asked which of two statements was closer to the views of those polled — the first statement most closely reflecting Mrs Thatcher's stand.

Having won back the islands the Government should not negotiate at all with Argentina about who should own them.

All 29 per cent; Conservatives 36; Labour 27.

The only way to ensure lasting peace is if Britain

NOP

negotiates with Argentina about ownership of the islands.

All 67 per cent; Conservatives 62; Labour 71.

Don't know: 4 per cent.

Then NOP asked those who think Britain should negotiate about sovereignty which option was the best.

Putting the islands under United Nations control: 32 per cent; joint arrangement between Britain and Argentina for running the islands: 54.

The idea that the Falkland Islanders should have a final veto on any deal struck between Argentina and Britain found great favour.

Should have veto: 70 per cent; Not a good idea: 25.

Asked whether the decision to send the Task Force was correct or not, replies were:

Yes: All 69 per cent; Conservatives 90; Labour 52.

No: All 23; Conservatives 7; Labour 37.

Don't know: 8 per cent.

Then NOP asked if Britain should send more ships and troops to the Falklands tomorrow if Argentina launched a large-scale military attack.

Yes: All 70 per cent; Conservatives 84; Labour 57.

No: All 24; Conservatives 10; Labour 38.

Don't know: 6 per cent.

● NOP interviewed a representative quota sample of 1,052 adults in 53 constituencies over Great Britain on April 6, 1984.

Sunday Telegraph 15/4/84

Antarctic men come home

Sunday Telegraph Reporter

Seven members of the joint forces expedition exploring Brabant Island in Antarctica are due back in Britain tonight after three months in one of the most hostile climates in the world.

The expedition leader, Commander Chris Furse, of the Royal Navy, and two colleagues have remained on the island, to be joined by a nine-man replacement team for the Antarctic winter.

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*Belgrano critics answered by
sacked Foreign Secretary*

Pym attacks 'campaign of distortions'

Sunday Telegraph
15/4/84

By GEORGE JONES, Political Correspondent

THE controversy over the sinking of the Argentine cruiser *Belgrano* during the Falklands conflict is carried an important stage further today with a full account by Mr Francis Pym, the Foreign Secretary at the time, of his part in the affair.

In an exclusive interview, given to *The Sunday Telegraph* after he had checked his papers at the Foreign Office last week, Mr Pym declared that the *Belgrano* was sunk for "military" reasons and well before the Peruvian peace plan was sufficiently advanced for Britain to accept.

He stated categorically that no text of a peace plan or substantive proposals were put down in Washington on Sunday, May 2, 1982, in talks with General Alexander Haig, the former United States Secretary of State. There had been "deliberate distortions" of the events on May 2.

That was the day Mrs Thatcher's War Cabinet meeting at Chequers gave the order to a British submarine to sink the *Belgrano* in the early stages of the Falklands conflict. Labour MPs, led by Mr Tam Dalyell (Linlithgow), have demanded a judicial inquiry into the sinking, claiming it was ordered deliberately to preempt the Peruvian peace plan.

Mr Pym has remained silent on his part in the abortive negotiations in Washington on the Peruvian peace proposals since he was dropped as Foreign Secretary after the June 1983 General Election. He will give his account of events on the BBC "Panorama" programme tomorrow with General Haig.

General Haig has added to the controversy over the *Belgrano* with his memoirs, serialised in *The Sunday Telegraph*, by suggesting that the Peruvian peace plan "gained acceptance in principle from both parties" before the *Belgrano* was sunk.

But he also bears out Mrs Thatcher's account that details of the plan did not reach London until after the attack, when he says that he and President Belaunde Terry of Peru worked all day to produce a draft peace plan.

Mr Pym, however, who held talks with General Haig in Washington on May 2 rejects

Mr Pym is to appear with Gen. Haig, former U.S. Secretary of State, in a special "Panorama" programme on the sinking of the *Belgrano* on BBC-1 at 8.10 p.m. tomorrow.

the suggestion that the peace plan was agreed in principle by Britain that day, and says agreement was not reached until May 6, several days after he had returned to London.

The former Foreign Secretary said they spoke for about two hours that Sunday morning and also had lunch together at the British embassy. But no text was discussed all day, only "welcome ideas" which Mr Pym said he did not consider had to be reported to London immediately.

"I was going to leave for New York that Sunday afternoon and did leave. If there was something substantive or really worthwhile I would not have wanted to leave. In that situation I would have been in touch with London immediately

after my morning meeting. But there was nothing of substance or significantly developed to make that sensible."

As Mr Pym was leaving for New York, for talks with Mr Perez de Cuellar, the United Nations Secretary-General, General Haig telephoned the embassy to emphasise the importance he attached to the Peruvian proposals.

In order not to miss the aircraft Mr Pym instructed the British Ambassador to return the call and make clear that Britain would take any peace plan seriously. General Haig did not ask him to stay on in Washington, and said further work was needed on the American-Peruvian proposals.

After further clarification a telegram was sent to London from the British embassy just after 5pm Washington time.

With the time difference, this arrived in London at 22.15 GMT, more than three hours after the attack on the *Belgrano*.

Mr Pym said that he considered the sinking of the *Belgrano* was a military decision, and he rejected the suggestion that it ended peace negotiations.

He maintained that discussions continued for some days after the attack on the cruiser, and that there had been a campaign of "deliberate distortions" about the events of May 2.

"There was no document on May 2. There was no acceptance in principle. As far as I am concerned, May 2 was only one day in a period of seven weeks, no more or less important than any other day in the search for agreement."

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The Times
14.4.84

Fire hospital was 'under insured'

By David Nicholson-Lord

The Falkland Islands' hospital in Port Stanley, which was destroyed by fire on Tuesday with the loss of eight lives, was insured for a tenth of its estimated value. The disclosure came after an audit last month.

A private firm of auditors, which has been working for the islands' administration since the end of February, found that the hospital buildings were insured for £80,000 and its contents for £40,000. They immediately queried those figures and asked senior medical staff for up-to-date assessments.

They estimated the contents, including X-ray equipment, ventilators, incubator and a range of laboratory equipment, at more than £400,000. The estimate was sent to the Falkland Islands' government in the middle of last month.

Although the value of the building was not reassessed, it is likely that the under-insurance was even greater. The cost of a replacement for the 30-bed hospital may be millions of pounds.

Disclosure of the under-insurance will add to criticisms already made of the failure to fire-proof the hospital in spite of persistent warnings.

Hayward to give £1m for Stanley hospital

By PATRICK WATTS in Port Stanley

JACK HAYWARD, the Bahamas-based multi-millionaire, who is known to his friends as "Union Jack," is to give £1 million towards the building of a hospital in Port Stanley to replace the King Edward Memorial Hospital, which was destroyed by fire last Tuesday.

Seven adults and a baby died in the fire.

Mr Hayward, 61, said in a telegram he was "most distressed to hear on the "Empire" Service of the BBC of the tragic fire. Please put me down for a contribution of a million towards the rebuilding which hopefully will start very quickly."

Sir Rex Hunt, Civil Commissioner, said: "The news of this

donation will be a marvellous tonic to Islanders at this tragic time."

The ruling council in the Islands decided on Wednesday that there should not be a special appeal, but that any donations would be directed to the Falklands Appeal and go towards the building of sheltered accommodation.

Meanwhile, as there are no maternity facilities available, four pregnant women will have to be transferred to hospitals in Britain to have their babies.

Mrs Diane Ferguson from Sheffield will leave on the liner Uganda, 17,000 tons, next week, while the others will make the long air-bridge flight.

Mrs Angela Davies, wife of Mr Austin Davies, the agronomist, desperately wanted to have her baby in the Falklands. While for Mrs Margaret Larsen it will be her second delivery out of the Islands. Complications forced her to attend a hospital in Argentina four years ago.

The Telegraph 14/4/84

In safe hands

THE appointment of Maj-Gen. Peter de la Billier as the next commander of our forces in the Falklands could not be more appropriate as he was in overall command of the brilliant SAS operations which did so much to win the Falklands War.

Commissioned into the Durham Light Infantry, Billier has become the archetypal SAS officer. He is the most highly decorated soldier serving in the British Army and compounds that singular achievement by having won all his medals in "peacetime."

He was mentioned in despatches while fighting with the SAS in

Malaya, went on to win a Military Cross in Oman in 1958 and won a bar to the MC for undercover work in Aden. In 1976, after the second Omani campaign, he won the DSO for exploits which were described as "almost mythical."

Billier's period as director of the SAS covered the Iranian Embassy siege as well as the Falklands War and it confirmed him as Britain's leading exponent of counter-insurgency tactics. It also earned him a CBE.

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Frankly, about the Belgrano

Sir, — Lord Lewin has recently restated the "danger to the task force" thesis in a rather more sophisticated form than the "two-pronged pincer attack" (cf Letters, April 11) still apparently favoured by Mrs Thatcher. The facts are now well known.

Cecil Parkinson (Guardian, March 12) came near to admitting the truth. The chiefs-of-staff advised that the Belgrano was "in our sights"; that there was a danger of losing it; and that "it was militarily essential that we sink it." We must, however, go further than this.

The real danger was the carrier Veinticinco de Mayo. The Prime Minister in June 1982 revealed that we twice located it and lost it. It was in fact spotted by a Harrier on the evening of May 1, found and shadowed by a submarine for a while before it escaped.

Belgrano had been located on April 30; a Times letter of June 2, 1982 — never refuted — alone proves this. Conqueror shadowed it for at least 48 hours before the sinking. For the last eight hours it was on a steady course towards Terra del Fuego, and it must have seemed that it too was going to escape. It was therefore sunk on direct orders from Chequers.

The shock of the sinking helped persuade Admiral Anaya to keep his surface fleet in home waters. It played no further part in the war. Does military necessity then remove any cause for bad conscience? And, if so, why the continuing "cover-up"?

The Government had sent the task force to the South Atlantic into a situation of grave danger. The weather was hostile — with winter near — the Argentinians held air supremacy; their carrier menaced Hermes and Invincible and thereby the whole operation.

In January 1977 the Argentine junta had planned to announce its Southern Thule base "in mid or late March,

when it was too late for British ships to enter South Atlantic waters"; there was also a "navy contingency plan for a joint air force and navy invasion of the Falkland Islands," if Britain took strong action in Thule (Franks Report, para 54). Our Government knew this at the time through our intelligence, which reported on February 7 that contingency plans had been shelved (para 56).

The crisis of 1982 was then foreseeable. Mrs Thatcher's Government may have ignored recent history, but through January and February it was getting clear warnings from all parts. A post-war Argentine inquiry has confirmed that the junta had decided on invasion, if negotiations ran aground, in mid-January. It characterised the Buenos Aires communique of March 2 after the breakdown as "definitely an alert for Great Britain" and an "imprudence" by Costa Mendez.

The damning evidence is almost all in the Franks Report paras 119-153. Ships and garrison reinforcements should have been sent much earlier than March 29, when finally the Government arranged to send two nuclear submarines. More — much more — could have been done to deter the Argentine invasion.

This Government, so proud of its stance during the conflict, has good reason to dread the charge of culpable negligence and gross dereliction of its duty. This is why we have not been "allowed" to know the truth about the Belgrano for so long. The truth reveals the deadly gamble involved in dispatching a force so late in the South Atlantic year.

If the Government had acted firmly sooner, at worst it might not have been necessary to sink a ship with 1,100 men aboard without mercy. At best, we might even have been spared a war. — Yours,
(Prof) Harold Mattingly,
School of History,
The University of Leeds.

The Times 13/4/84

The Belgrano: PM not vague over Haig

The Prime Minister said during Commons questions that no official interviews or assistance had been given to the authors of *The Sinking of the Belgrano* specifically in connexion with their book, apart from providing comments on an article in *International Defence Review* by an Argentine military historian.

Mr Tam Dalyell (Linlithgow, Lab) had asked Mrs Thatcher to list official interviews and assistance given by civil servants and servicemen to the authors, Desmond Rice and Arthur Gavschoen.

He then asked Mrs Thatcher: Is General Haig right in asserting that acceptance had been gained from both parties on the Peruvian peace proposals before the *Belgrano* was sunk? Is Mrs Thatcher's admirer, General Haig, right?

Mrs Thatcher: I do not answer for General Haig.

Locust peril faces Falklands airlift

By Maj.-Gen. EDWARD FURSDON
Defence Correspondent

THE vital Falklands supply air bridge from Ascension Island to Port Stanley is under threat from locusts, which could ground all the RAF aircraft involved.

Recent heavy rains on Ascension have caused incalculable numbers of migratory locusts to show signs of swarming—a phenomenon that hits the island roughly every 25 years, the last instances being in 1934 and 1958.

A swarm can number 50 million in a square mile.

Such a cloud of insects descending on the RAF base could clog aircraft air intakes, engines, turbines and external controls.

Dr Mick Burgess, the Defence Ministry's senior entomologist from the Royal Army Medical College at Millbank, is flying to Ascension on Saturday with his assistant Mr Kim Chetwyn.

Insecticide spray

They will have a week to deal with the threat. Large numbers of eggs were spotted about a week ago, and they normally hatch between 10 and 20 days after being laid.

Dr Burgess has arranged for supplies of insecticide—either Bendiocarb or Malathion—to be flown out to Ascension, with more available from RAF Brize Norton, Oxfordshire.

If the problem is not too serious the insecticide will be used in liquid form through a compression spray, similar to that used by many gardeners.

If the threat is particularly acute, Dr Burgess will dispense insecticide as a gas, causing it to spread like a thick fog.

Fire inquiry—P19

Slow response to Falklands hospital fire warnings'

By Our Parliamentary Staff

THE Government had been slow to respond to warnings given a year ago that the only hospital in the Falklands was a fire hazard, Opposition MPs claimed in the Commons yesterday.

Following the burning down of the hospital with a loss of eight lives, Mr DONALD ANDERSON, from the Labour Front Bench, said clear answers to criticisms of Ministerial tardiness would be needed from the inquiry which was to be held.

"Would you confirm that the position was examined by the Foreign Office last year, but an architect was not to be sent out until after Easter?" Mr Anderson asked. "The new hospital was to be built at an indefinite date in the future."

'Ready to help'

Mr Anderson added that it was a tragic irony, when billions of pounds were being poured into the island for alleged defence, that not enough

money was being spent on welfare needs.

Mr RAISON, Foreign Office Minister, declined to reply to the criticisms, which he said would be investigated by the inquiry.

The Government stood ready to help the Falkland Islands government to build a new hospital and an architect would travel there within a few days.

In the meantime, a temporary hospital had been established in Port Stanley town hall. It included an Army field surgical unit.

Mr TAM DALYELL (Lab., Linlithgow) gave the names of two electricians who, he said, had pleaded with the authorities to take the fire hazard position seriously, and had given a warning that the Army was overloading the electrical system in the hospital by installing extra equipment.

"Was not this tragedy foreseeable and foreseen, predictable and predicted?"

Mr RAISON replied that it was important that the evidence of the two men should be made available to the inquiry.

Daily Telegraph 12th April 1984

Falklands immigrants

SIR—You published a report (March 31) under the headline "Vietnamese Immigrant Plan Angers Falklands" by Mr Patrick Watts, of Stanley.

I feel that I must comment. Firstly, the statement that the Falkland Islands Sheepowners Association sent a circular to all its members condemning the move by the Administration to permit seven Vietnamese to take up residence. No such circular has ever been contemplated or sent. It would have been my duty to issue it.

The headline makes it appear that the whole population of the Falklands is seething about a situation of which the majority have little or no knowledge, and the remainder regard simply as a small part of a busy rehabilitation programme.

J. T. CLEMENT
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Stanley, Falkland Is.

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Falkland inquiry to focus on hospital fire hazard claim

By IAN BOYNE

THE Government has promised that the official inquiry into the Falklands hospital fire on Tuesday will try to discover why no action was taken over warnings of a fire hazard.

Eight people died in the blaze.

Mr Timothy Raison, Minister for Overseas Development, told the Commons yesterday that a member of the Inspectorate of Fire Services was flying out to the Falklands next week.

His statement came on the same day that the Defence Ministry announced an airlift of urgent medical supplies and vital equipment to Port Stanley.

Electricians all suspect

Mr Raison said that a study of hospital services on the Islands included reports which referred to fire hazards and precautions in the hospital buildings.

The inquiry would also investigate the timing of the arrival of the civilian and military fire fighting equipment to the King Edward Memorial Hospital, built in 1914.

Mr Raison said that the cause of the fire, which started in the hospital's old wing, had yet been established. It was widely believed that faulty electrical equipment was to blame.

Mr Raison also praised Nurse Barbara Chick, 35, from Bristol, who died trying to save patients from the fire. Mr Michael Stern (C., Bristol North West) hailed Nurse Chick's rescue attempt as being in the "finest traditions of the nursing service, and deserving of every praise this House can give."

A spokesman for the Falklands Office in London said that the bravery of Nurse Chick would be recognised by a memorial in the new Falklands Hospital. A ward would be dedicated to the 35-year-old heroine who gave her life trying to rescue patients from the building.

Lack of cash

PATRICK WATTS IN PORT STANLEY reports: The 70-year-old wooden hospital in Port Stanley, destroyed by a fire on Tuesday which claimed the lives of seven adults and a 10-day-old baby, was opened on Dec. 8, 1914 to receive the casualties from the Battle of the Falklands.

Dr Alison Bleaney, the Islands' senior medical officer, said: "Everyone knows that the hospital needed a lot of money to it, and there should have been a lot more money available a long time ago."

The Daily Telegraph
12/4/84

Argentina 'must declare peace' over Falklands

By ANTHONY LOOCH *Parliamentary Staff*

A "CAST-IRON guarantee" by Argentina, that it will never again use force over the Falklands, is an essential first step in re-establishing relations between Britain and the Argentine, Sir Anthony Parsons told the Commons Foreign Affairs Select Committee yesterday.

Sir Anthony was Britain's permanent representative at the United Nations during the 1982 Falklands crisis.

He later served for a year as a special foreign affairs adviser at 10 Downing Street, before retiring.

Mr Peter Thomas, Conservative MP for Hendon South and committee chairman, said the committee was concentrating on prospects for a negotiated settlement in the Falklands dispute.

Sir Anthony said he had been surprised by the lack of support for Argentina at the United Nations during the conflict.

But when asked by Mr Bowen Wells, Conservative MP for Hertford and Stortford, whether Britain could hope to maintain this advantage, he said:

"I think the international community will be waiting to see how much willingness we are showing to improve the situation."

Sir Anthony said that he could not see a quick solution to the Falklands problem, and he expected it to take years to reach.

NAVY CUTS Policy change

The Government had abandoned the policy of no refits and no modernisation of Navy ships introduced before the Falklands war by Sir John Nott, former Defence Secretary, Mr Keith Speed, former Navy Minister, said yesterday.

Mr Speed, dismissed for criticising Navy cuts in 1981, said, after a meeting of the Commons Select Committee on Defence: "I do not like the word vindicated but I am delighted to hear this has changed."

Argentine response

OUR DIPLOMATIC CORRESPONDENT writes: Senor Perez de Cuellar, the United Nations Secretary-General, is expected to report on Argentine reactions to the latest British proposals for repairing relations when he has dinner with Mrs Thatcher on Monday.

UK ready to help with rebuilding hospital

FALKLANDS

The British Government stood ready to help the Falkland Islands Government in the urgent task of building a new hospital as soon as possible, Mr Timothy Raison, Minister for Overseas Development, said in the Commons.

During questions on a statement he made about the fire at Port Stanley Hospital yesterday morning, Mr Michael Stern (Bristol North West, C) drew Mr Raison's attention to a report in *The Times* today that Government agencies had more than a year's warning of the appalling fire risk at the hospital.

Mr Raison said the cause of the fire at the King Edward Memorial Hospital started in part of the old wing, a wooden structure built in 1914. The cause had not yet been established.

The Government was providing experts to assist in the inquiry announced by the Civil Commissioner, (Sir Rex Hunt) which would report to the Falklands Islands Government on the causes and other aspects of the disaster. A member of HM Inspectorate of Fire Services would fly to the Islands next week.

The timing of the arrival of the civilian firefighting equipment from the town and military equipment from the airport would also be fully investigated.

Since late 1982 there had been studies of reports which referred to fire hazards and precautions in the hospital buildings. The extent to which the recommendations in the reports were carried out would be a priority issue for the inquiry.

A hospital architect would travel to the Falklands within a few days.

The Government would provide the Falklands Government with financial and other assistance in building a new hospital.

Mr Tam Dalyell (Linlithgow, Lab) said Mr Raison should contact two senior electricians and another man who had pleaded with the authorities to take this seriously. They had told the authorities the Army was overloading the electric wiring system. The tragedy had been foreseen and predicted.

Mr Raison told Mr Russell Johnston (Inverness, Nairn and Lochaber, L), who said it took two hours for the RAF firefighting team to get to Port Stanley, that his (Mr Raison's) information was that this was not so.

Falklands hospital fire inquiry

By Alan Hamilton

A Government inquiry into the fire at Port Stanley hospital, in which seven patients and a British nurse lost their lives, is to examine why previous warnings of extreme fire hazards apparently went unheeded.

The inquiry will also investigate why the RAF firefighting team from Stanley airfield did not arrive at the scene until two hours after the blaze had started at 4.30am on Tuesday.

Mr Timothy Raison, Minister for Overseas Development, told the Commons yesterday that British experts were being sent out to assist the inquiry and a member of the Inspectorate of Fire Services would leave for Port Stanley next week.

"The question of hospital services on the islands has been the subject of consideration on a number of occasions since 1982. This has included study of reports which referred to fire hazards and precautions in the hospital buildings; the extent to which the recommendations in these reports were carried out will, of course, be a priority issue for the inquiry," Mr Raison said.

A report was also prepared by the Overseas Development Administration on the island's hospital facilities, but yesterday it refused to disclose details of its contents. However, Mr Adrian Monk, head of the Falkland Islands Office in London, told *The Times* that the fire danger of the hospital had been well known.

Medical supplies to replace those lost in the fire are being flown out from Britain on the Hercules air bridge to Stanley tomorrow.

The Times
12/4/84

S. Atlantic veterans in D-Day drop

By John Witherow

British paratroopers who fought in the Falklands will take part in a parachute drop over Normandy in June to commemorate the fortieth anniversary of the D-Day landings.

Men from 2 Battalion, the Parachute Regiment, who captured Goose Green against overwhelming odds, will jump over Pegasus Bridge on June 5 near the town of Ranville, where the regiment has a memorial.

The Ministry of Defence yesterday outlined further details of the ceremonies, some of which will be attended by the Queen, President Reagan and President Mitterand.

The ministry is not organizing the ceremonies, but Lieutenant-Colonel John Arthur, chairman of its D-Day working party, said it wanted to give as much support as possible because this was "likely to be the last major remembrance of the landings that many of the veterans will be able to attend."

New hopes for old problems

IT WOULD be premature to say that the prospects for peace in two of the major trouble spots in the Western Hemisphere are fast improving. But events in the past few days have at least served to give a breath of new hope to those seeking solutions to the impasse between Britain and Argentina over the Falkland Islands and to the regional crisis in Central America.

An understandably cautious and discreet reply has gone out from the Foreign and Commonwealth Office to the suggestion from Argentina that the two countries should start talks about their differences.

As Sir Anthony Parsons, Britain's former Permanent Representative at the United Nations, commented yesterday in his evidence to the House of Commons Select Committee on Foreign Affairs, the advent of a civilian government in Buenos Aires has certainly improved the atmosphere. As he also pointed out, understanding for Britain's position among members of the United Nations is bound to decrease if Whitehall is not judged to be doing its best to normalise relations with the Alfonsín Administration.

First steps

Sir Anthony underlined the fact that there cannot be any quick solutions to the problems, and any agreement may take years of patient negotiation. It must be made plain to the military that any new attempt by them to drag Argentina back down into the chaos of military rule will result in great harm being done to the prospects for an agreed solution. If the process is to move forward at all Argentina must signify clearly by some means or other that it has abjured the use of force in the pursuit of its claim to the disputed territory.

The first steps have been taken by both sides. It is now up to Mrs Thatcher and President Alfonsín to see that the momentum, however slow, is maintained throughout the exhausting sessions of talks which lie ahead.

In order that this momentum is maintained direct diplomatic relations must be re-established in due time and the painful and

time-wasting process of Britain and Argentina talking to each other through the medium of the foreign ministries of Switzerland and Brazil abandoned. However difficult the search for a solution may appear to be, diplomats and politicians on both sides must remember that the present moment is propitious and nothing is gained by delaying the start of talks.

Peacemaking

In Central America likewise the process of peacemaking must be encouraged. The crisis in the isthmus has taken too many lives and wasted too much money and too many resources to be allowed to continue a day longer than necessary.

In this context the decision of the Reagan Administration to halt the mining of the ports of Nicaragua is to be welcomed. The U.S. Congress has revolted against what many legislators see as an act of war against the Government in Managua. The allies of the U.S. have expressed their alarm at the action which could claim the lives of neutral sailors and damage international shipping.

Given that Mr Reagan seems set on continuing his "secret war" against the Nicaraguan Government and supporting the military in El Salvador, the halting of the mining is a small advance indeed. It needs to be followed up by an unequivocal declaration of support by Washington for the efforts of Mexico, Panama, Colombia and Venezuela — the Contadora group—to find a permanent settlement to the political crisis of Central America.

At the same time the actions of the Cubans and Soviets must be scrutinised carefully. The Contadora peace process is hardly helped, for instance, by the despatch by the Soviet Navy of a large flotilla to Caribbean waters at this delicate juncture.

Militarisation is no more a solution to the problems of Central America than it is to those of the Falkland Islands. Politicians and diplomats must be given primacy over the military if peace is to come to both areas.

THE LISTENER

12 APRIL 1984 PRICE 50P (IR 83P, USA AND CANADA \$1.50)



What's going on in the Antarctic?

Robert Fox

Bel Mooney In defence of compromise

Malcolm Muggeridge Langham Diary

Michael Frayn The holiness of Jerusalem

THE LISTENER

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12 APRIL 1984 VOL 111 NO 2853

Charles Osborne, Literature Director of the Arts Council, counters Frank Delaney's criticism in THE LISTENER with the following: 'A year or two ago, I asked publishers and literary agents to let me have details of any manuscripts which, though of literary promise, were failing to get into print. No publisher, no agent was able to produce a single title.' Across the columns, Delaney returns to the attack in this week's Endpiece and concludes: 'So phokey, ACGB ... Now haven't I seen that somewhere before.'

Robert Fox begins a two-part report from the South Atlantic; next week he writes about the Falklands. Kent Barker has been following Jesse Jackson in the Presidential primaries. Geoffrey Robertson believes that magistrates' courts should be more representative. Nicholas Jones returns to the story of how large redundancy payments have weakened the power of the unions. Malcolm Muggeridge looks forward to a 200th birthday celebration for Dr Johnson. René Cutforth is remembered by his friend Reggie Smith. Bel Mooney writes a real Centrepiece. 'In praise of compromise'. She says: 'Instead of the politics of consensus we have to suffer the politics of conviction.' Which is surely what Mrs Thatcher told Sir Robin Day on *Panorama* on Monday. R.T.

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Robert Fox: Into Antarctica with *Endurance*

The Falklands —a key to the riches of Antarctica

Robert Fox, who covered the Falklands conflict for the BBC, wrote for THE LISTENER in the summer of 1982 a much acclaimed series of articles about the horrors and hardships he shared with the troops, and the companionship. Now he is back in the South Atlantic and, in the first of two articles sent to THE LISTENER, he writes about what he saw in 'this wild yet strangely alluring part of the world'—Antarctica.

The Navy's ice-patrol ship HMS *Endurance* has just completed her first full season in the South Atlantic since the Falklands conflict. Last year, after a refit, she only spent a few months in southern waters. The fact that she will continue to patrol the South Atlantic until at least 1990, according to present plans, is a sign of the British volte-face in policy towards Antarctica and the Falklands Dependencies. So, too, is the extra £14 million being given to the British Antarctic Survey—BAS—over the next three years. Britain's policy on the Falklands is now inexorably bound up with that of Antarctica: Argentina's claim to land in the Antarctic Peninsula, which is disputed by both Britain and Chile, is directly connected with the claim to the Malvinas.

The territorial claim to Antarctica by Britain and six other nations is temporarily in abeyance under the Antarctic Treaty enforced in 1961. This declares Antarctica free of military activity and devoted to scientific research, the results of which are to be shared internationally. So far, the treaty has worked remarkably well and conservation measures on fish and seals and joint research programmes by a dozen countries are well established. The big area for contention is mineral resources. There is to be a further conference, in Tokyo, next May, on trying to establish a convention for the development of these resources, and the pessimists believe that failure then to find the right formula could wreck the treaty. After this, the next big milestone is June 1991, when the rules of the treaty organisation change: any

member country can call for a review conference then, and the method of voting changes from consensus to a simple majority. Aspirants from the developing world are now hurrying to send surveys and expeditions to Antarctica, to attempt to become aceding members of the treaty before the 1991 deadline and establish their right to take part in the development of the huge continent during the next century. Among the latest to show an interest are China, Spain, Peru, Brazil and India. Mrs Gandhi justifies her country's Antarctic policy by telling the Indian legislature that it would provide information about the origins of the monsoons.

The British presence in Antarctica is made up of the BAS scientists and the patrols of HMS *Endurance*. To put it mildly, *Endurance* is getting on in years; she was due to be scrapped two years ago. Now she has a lease of life, playing a confusing number of roles: display of the flag in South Atlantic waters; survey vessel; Falklands guardship; support for BAS and other British personnel in the area. Sometimes she appears to operate

like a freighter on a glorified taxi-run, as she takes great swings through the islands of the South Atlantic to South Georgia and beyond, to the Antarctic Peninsula. I have just been aboard her on such a trip and it gave me a glimpse which is quite rare of what is going on in this wild yet strangely alluring part of the world.

Ernest Shackleton called South Georgia the gateway to Antarctica, but the impression in the summer sunshine is of a



A new lease of life for 'Endurance'

piece of Norway or Switzerland transplanted to the Southern hemisphere. The green hills, purple rocks and soaring white mountain peaks look like a backdrop left over from a fanciful production of *The Sound of Music*. Grytviken, an old whaling station on the island, is dominated by the shade of Shackleton: his memorial cross looks over the harbour from one side, the cemetery in which is his grave the other. Grytviken and Leith, another whaling station on the island, are melancholy places, the *Marie Celestes* of the southern whaling industry: tangles of rusting cable, machinery and acres of flapping corrugated iron sheeting, with the last manifests from the supply-ships blowing like tumbleweed across the floors of the sheds. The tiny white church at Grytviken, shifted in sections from a Norwegian village in 1913, is now being patched up by soldiers from the British garrison. At one time, 6,000 men worked the half-dozen whaling stations round these bays, but when the industry collapsed, in the Sixties, they disappeared like snow in the spring. It was as if the steamer rounded the point, the siren blew, and everyone clambered

board for the journey north. Many of the tools, spares and engines at Leith are still in good condition, for the plant was renovated in the 1950s, and it was this scrap that brought Constantino Davidoff and his men there, in March two years ago; and it was their raising of the Argentine flag there which triggered the Falklands conflict. The scrap—the winches, engines and bulldozers—are still on the wharf at Leith, but Señor Davidoff's men are gone and so, too, has his contract.

The small British garrison now lives at Grytviken, their accommodation, at Shackleton House, among the most luxurious for the forces in the South Atlantic. Shackleton House was built for the base scientists, but they left after the island was retaken and are not likely to return. The soldiers keep busy with exercises in the field and patrols to potential landing-sites for anyone bent on nuisance raids.

Endurance's southern patrol now takes her usually to Southern Thule, a desolate chunk of rock and snow. In 1976 the Argentines opened there what they said was a weather station. It was clearly something more, with a farm of fuel tanks, a hangar and extensive accommodation for servicemen. It was said that they could land a C-130 Hercules aircraft there. If they tried nowadays, it would probably skid into the sea on the thick layer of penguin guano which envelops the place. The Argentine garrison was turned out in June 1982, but someone with a sense of humour returned a few months later to raise the Argentine flag, leaving the British flag neatly folded under a rock. Each passing ship of the Royal Navy replaces the flags the ravages of the gales tear down more frequently than do the Argentines or their friends. The installation was demolished by a naval party a year or so ago and today the whole dreary scene is an incongruous reminder of the ritual of claim and counter-gesture across the South Atlantic chessboard.

Signy Island, farther to the west, in the South Orkneys, is altogether more welcoming. Here is another BAS base for life studies, a



The tiny white church at Grytviken, shifted in sections from a Norwegian village in 1913, is now being patched up by soldiers from the British garrison

huddle of huts behind a headland. A tame seal brays his welcome at the main door, and in one of the sheds is an aquarium containing an array of exotic fish and crustaceans: giant forms of lice, brilliantly coloured crabs and the ugly and anaemic-looking ice-fish. The ice-fish have slender bodies and large heads, and the oxygen content of their habitat is such that they have few red corpuscles in their blood. There is evidence that the Japanese are now fishing them in quantity for animal feed, and the base commander at Signy, David Rootes, says he has noticed a considerable increase in the number of Russian and Polish ships fishing in the area.

Krill offers the biggest commercial bonanza in the Antarctic and sub-Antarctic for the fishermen. The Shackleton report suggested that krill could yield an annual harvest of 75 to 150 million tons, but, so far, only the Japanese have had success in processing it for human consumption. There are still question-marks over its swarming and migration habits and, this year, BAS ran an ambitious oceanographic survey into krill from their support-ship, the *John Biscoe*. In some parts of the ocean they found the krill peculiarly elusive despite it being a staple in the food chain of so many higher species of bird and mammal. Very probably, it is a shift in the migration of krill and other small organisms which has brought greater numbers of fur seal farther south this season.

The sun has quite literally shone on the BAS teams in the field this summer, one of

the mildest in memory. The pack-ice has been late in forming and *Endurance* encountered only one thin strip of pack, drifting out from the Weddell Sea. None the less, appearances were deceptive. The ship had to bore her way through the laminated crystal-blue bits of glacier ice, decades or possibly a century old and as tough as the strongest steel.

The mountains of the Peninsula look deceptively close in the thin, clear air. Most have never been climbed and the water round them never charted accurately. The spirit of the heroic age of exploration, of Shackleton and Scott, still lingers over the expeditions which set out annually to map and travel huge areas where no one has been before. This year *Endurance* has deposited a Services team on Brabant Island and they will be the first expedition to winter in Antarctica in tents.

At the expedition base camp, penguins and sheath-bills wander in and out of the tents, the latter scavenging food and even stealing cutlery. The team will continue the work of the summer expedition, which arrived in January, in collecting rock samples and plant and bug specimens for a number of universities and research laboratories. They have started a seal census and will help a government-sponsored scientist make a geological map of the island. The team will also be monitoring their own reactions to extreme cold, a project led by a young Navy doctor, Howard Oakley, who hopes to clear up some of the mysteries about what caused soldiers in the Falklands campaign to suffer frostbite and trench-foot. He thinks the clue lies in dehydration and he will be rigorously monitoring the team members' body fluids, internal temperature, diet and exercise rates.

It has been internationally agreed that most such expeditions now have to have a heavy scientific bias, but such ventures do not come cheap, and the present one being led by Commander Chris Furse (his third expedition to Antarctica) has had to raise £150,000 and there has been help from sponsors with items

THE LISTENER

Next Week

The full text of the 1984 Dimpleby Lecture, given by the Bishop of Liverpool, the Right Reverend David Sheppard, who chose as his subject 'the poverty that imprisons the spirit'

Philip Tibenham writes about Karen Silkwood, an employee of an American plutonium works, who died in a car crash while on her way to tell a newspaper reporter about the lethal conditions there.

Bernard Jackson on life in Zimbabwe today
Ralph Rolls meets the American evangelist Billy Graham

Alexander Chancellor Langham Diary
Anthony Clare Centrepiece

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Details page 22

as diverse as tents, clothes, cigarettes and toothpaste. In 1985-6, a four-man expedition looking at the formation of the Antarctic ice shield will use dogs to follow Amundsen's polar route. The expedition has been costed at a quarter of a million pounds.

The hazards of navigating these waters were brought home with a rude jolt at the end of *Endurance's* work period off the Antarctic Peninsula. She was conducting a routine hydrographic survey in uncharted waters in the Orleans Strait when she hit a submerged pinnacle of granite and quartzite as she was turning at the end of a line of soundings. She was a mile or two from the coast when she struck, sending a shudder right through her and giving the nautical expression 'an early morning shake' a new meaning. By sheer good luck it was a brilliant, calm day and the BAS support-ship, the *Bransfield*, was due to rendezvous with us that afternoon. Five hours after hitting the rock, *Endurance* was afloat again. The *Bransfield* was the only ship we encountered in just under three weeks. The day was one of glorious summer calm, with chunks of sparkling blue icebergs drifting by. Another season, or even another day, and foul weather could have made matters very different. As it was, *Endurance* had to hasten back to Port Stanley through a lumpy swell and a Force Eight wind, with a 13-foot gash in her hull, next to the keel.

Before departing Antarctic waters, the ship's deployment had a curious punctuation-mark. The helicopter made a quick visit to Deception Island, where a sunken and still active volcano has made a natural harbour, the cone and crater forming a sheltered lagoon, a circlet of rock and ash, with a thin strip of green vegetation along the cliff-face round one side, and the narrow gap through which ships have to pass to enter the harbour—known as Neptune's Bellows—hazardous to navigate if the wind is not in the right quarter.

In recent times, Deception has been used by British, Chilean and Argentine parties. The words 'Chile skua', daubed across one of the huts, proclaim the Chileans as the most recent visitors. Pots and pans inside the huts contain remains of their cooking. Back in 1943 it was the risk of the island being used as a base from which German raiders of merchant shipping could operate and the occupation of the base by Argentine forces that brought a Royal Navy party to Deception, in Operation Tabarind. This evolved into the Falklands Islands Dependency Survey, or FIDS, which in turn became the British Antarctic Survey. Since Tabarind, several expeditions and parties have been forced to leave the island when the volcano burst into life again. An early visitor reported the paint on the ship's side peeling in the heat emanating from the lagoon, and thermal rock pools have recorded temperatures of 80 degrees centigrade. It is a desolate yet mesmerising spot, and perhaps in its chequered political history and natural unpredictability the summing up of man's present relationship with the Antarctic wilderness and the oceans round it.

Next week Robert Fox continues his journey and visits the Falklands.

Nicholas Jones: Redundancy payments

The blanket which covers up unemployment figures

A year ago, THE LISTENER reported (3 February, 1983) on the way trade unions were finding that the will to fight factory closures had been fatally eroded by redundancy payments. Indeed, the willingness of union members to queue up for redundancy money looked like becoming a greater threat to the union movement than the Government's employment legislation. Now BBC Labour Correspondent Nicholas Jones returns to the subject, examining the degree to which redundancy payments have helped the Government avoid the social outcry that was expected if three million or more were unemployed for any length of time.

In five years, well over £6,000 million has probably been paid out in redundancy payments, mostly to workers in heavy industry and manufacturing. That estimate is nearly twice the only figure available officially from the Government. It was obtained from a survey commissioned by BBC Radio News to discover the true level of the redundancy payout since Mrs Thatcher was first elected Prime Minister in 1979. Up to now, redundancy money has not been regarded as an important factor in explaining the acceptance of large-scale unemployment; the BBC survey showed that high and often hidden redundancy payments have played a significant part in buying industrial peace.

Most employers will not reveal how much they have spent on redundancy payments. The nationalised industries and other public authorities have been the most generous of all, but again, with a few exceptions, they are reluctant to discuss the amounts involved. One cannot help but suspect a widespread tendency on the part of officialdom to cover up the figures. If one could establish the total redundancy payout, it would help in calculating the true cost of unemployment and that could be of political embarrassment to the Government.

There is no doubt that employers have taken full advantage of the Redundancy Payments Act which was brought in by a Labour government in the mid-1960s, with the original intention of encouraging workers to leave what were the dying industries and re-establish in new growth areas. The money would help cushion that period of transition. With the recession, the election of Mrs Thatcher and a new economic climate, British industry embarked on what became a much more fundamental shakeout of labour. It is easier to make workers redundant in Britain

than in many other Western countries. All a British employer need do is make a once-and-for-all cash payment.

According to the official statistics, 2.8 million workers received a total of £3,300 million in redundancy payments in the five years 1979 to 1983. That money was paid out in accordance with the Act which lays down minimum payments for most redundant workers, and the average is currently £1,400 per redundant worker. But that is only the beginning of the story. A large number of redundancies are not recorded officially. If, for example, there are fewer than ten in a company at any one time, there is no need for official notification. In addition, hundreds of thousands of workers received much more than the minimum. Only detailed research, done in 1981, showed that 40 per cent received additional payments.

The research for BBC Radio was conducted by Incomes Data Services. It estimated that £6,000 million was a realistic estimate of the total payout in the five-year period. Around £2,000 million was paid out in the public sector alone, with the single biggest payout in the steel industry: £900 million shared between 113,000 redundant workers at the British Steel Corporation.

The average payment in the steel industry was £8,000, with many of the older workers receiving anything from £10,000 to £20,000 or more. Payments have tended to be lower in the private sector. A company in the North-East shared four million pounds between 600 redundant workers, an average of £6,600 each. The chemical group ICI spent a total of £107 million on redundancy payments in the two years to 1983. The figures show wide variations: In 1982, 2,700 dockers received an average of £21,500 each, while workers at Alfred Herbert in Coventry were paid an average of £1,000, which was then the average statutory payment.

Industrialists defend what happened. They say the redundancies were inevitable and should have taken place much earlier, as most companies were overmanned. Walter Goldsmith, Director-General of the Institute of Directors, believes employers have acted with compassion and generosity. He agreed that companies had eased their consciences in the process but, equally, redundancy money had been invaluable in the great transition from overmanning in both the private and public sectors to the development of new service industries which, he hopes, will pick up this employment in the future. 'Redundancy payments have helped to get over this period and it is quite remarkable how the common sense of the British people has come out. I think there was a general understanding that something had to be done.'

The confidence in the future shown by some sections of the business community has

Fire risk part of Falkland inquiry

By Paul Keel and Colin Brown

The inquiry into the fire which destroyed the Falkland Islands' hospital and claimed eight lives will examine whether warnings of a risk were heeded, it was stated in the Commons yesterday.

Mr Timothy Raison, the Overseas Development Minister, said there had been reports which referred to hazards and precautions at the King Edward Memorial Hospital in Port Stanley and that "the extent to which the recommendations in these reports were carried out will of course be a priority issue for the inquiry."

He said that the timing of the arrival of the civilian fire-fighting equipment from the town and military equipment from the airport was also to be fully investigated. Specialists were being sent from Britain to assist with the inquiry and a member of the Inspectorate of Fire Services would be flying out to the Falklands next week.

The minister assured the Labour MP for Linlithgow, Mr Tam Dalyell, that the evidence of two electricians on the islands would be heard. Mr Dalyell said that the two, Mr Sturch Edwards and Mr William Burridge, had pleaded with the authorities to take the fire risk at the hospital seriously. They had warned that the army was overloading the wiring by installing extra equipment, he said.

An airlift of urgent medical supplies for the Falklands will leave Britain tomorrow.

The Ministry of Defence, which is organising it said that the package would include X-ray equipment, a pathology laboratory, blood supplies, and blood collecting equipment. A blood storage unit, operating lamps, bandages and needles will also be sent.

About 20 beds have been installed at the capital's town hall, with field lavatories and a field kitchen. "We have virtually turned the town hall into a hospital overnight. We are providing equipment which will give them reasonable hospital facilities for a short-term emergency," the Ministry of Defence reported.

Two civilians were being treated at the makeshift yesterday. Injured military personnel have been returned to their units for further treatment

Tough UK signal to Argentina

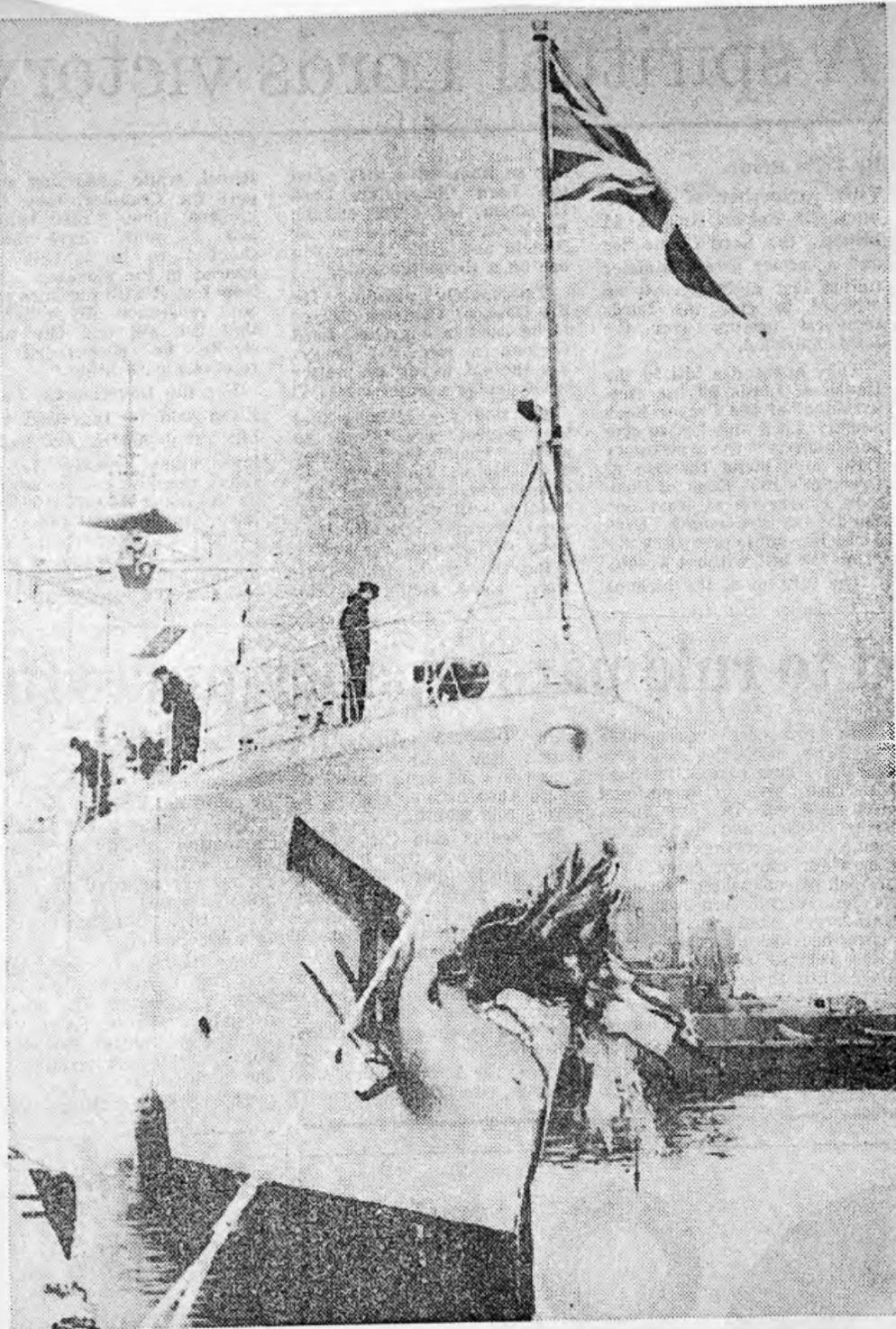
By Patrick Keatley, Diplomatic Correspondent

Argentina must come out with an unequivocal statement ending hostilities over the Falklands and abandoning the use of force as a condition for resuming normal diplomatic relations with Britain, Mrs Thatcher's former foreign affairs adviser, Sir Anthony Parsons, said yesterday.

Sir Anthony, Britain's UN ambassador at the time of the Falklands conflict, was giving evidence to the Commons Foreign Affairs Committee. His inflexible line can be taken as a clear indication of the Prime Minister's own thinking.

He told MPs: "Everything really does hinge on the ability of the Argentine Government to make this all-important declaration about the non-use of force. I do not see how any British Government could possibly make a serious move towards normalisation of relations, or removal of the naval protection zone around the Falklands, without such a prior declaration. And it would have to be a very good one at that."

The committee is making a lengthy post-mortem of the Falklands crisis, which is expected to take the form of a detailed White Paper even longer than the one just produced on Grenada.



Falklands veteran knocked out by allies

HMS PLYMOUTH was damaged in a collision with a German frigate in heavy fog yesterday while taking part in a US Navy exercise in the Baltic.

There were no casualties and the 2,800-ton Falklands veteran sailed to the Swedish port of Karlskrona, where she was photographed (above).

The German frigate, Braunschweig, also taking part in the exercise, was heading for the German naval base of Kiel.

The Plymouth's captain, Michael Cole, said in Karlskrona: "There was only

minor damage and we're being patched up. It was very foggy, with visibility down to about 100 metres when the collision happened right on 6 am. I felt the shudder on impact and felt it was wise to bring her to Karlskrona to have the damage checked. It's going to be patched up and we should be on our way again soon. We hope to be back in Rosyth around Monday."

The Plymouth was attacked by six Argentine Mirage aircraft in San Carlos Bay during the Falkland conflict in June 1982. She was hit by four 1,000lb bombs which failed to explode. An aircraft

cannon shell also struck a depth charge, causing an explosion and fire which took two hours to bring under control.

The Plymouth had been the first ship to arrive in San Carlos Bay. She shot down three Argentine planes during the campaign.

Earlier, she had been the first task force ship to fire in anger when she bombarded Argentine positions in South Georgia. It was on the Plymouth that Argentine Captain Alfredo Astiz, known as "Captain Death," signed the South Georgia document of surrender.

Britain urged to start talks with Argentina

BY HUGH O'SHAUGHNESSY

BRITAIN WILL lose international support for its stand over the Falkland Islands if the Government is not seen to be making an effort to normalise relations with the civilian government in Argentina. Sir Anthony Parsons, British representative at the UN during the Falklands conflict, said yesterday in evidence to the House of Commons Foreign Affairs Committee.

He felt the moment was propitious for talks with the Argentine Government on the Falklands question, but added that no one should expect any rapid resolution of the differences over the islands. "I can't see any quick solutions. It could take years," he said.

All solutions so far suggested contained serious snags, whe-

ther they investigated UN trusteeship, joint sovereignty, self-determination or any other scheme.

Sir Anthony strongly suggested that Britain and Argentina should come directly to the table and not continue discussions through third parties.

Britain should not allow the UN to take the initiative in discussions, he said. "The UN has a tilt," he said, "and that tilt is generally against the UK."

In answer to questions he said that the sinking of the *Belgrano* by the Royal Navy had not destroyed a Peruvian peace plan. At the time of the sinking the Peruvian plan was in the form of an uncompleted draft.

Editorial Comment, Page 26

Priorities set for Port Stanley fire inquiry

ACTION TAKEN on warnings of a fire risk at the Falkland Islands' only hospital in Port Stanley will be a "priority issue" in the official inquiry into the blaze in which eight people died. Mr Timothy Raison, Overseas Development Minister, promised MPs yesterday.

Experts were being sent to assist the inquiry, and a member of the Inspectorate of Fire Services was flying out next week, he said in a Commons statement.

"The question of hospital services on the islands has been the subject of consideration on a number of occasions since 1982," said Mr Raison.

"This has included study of reports which referred to fire hazards and precautions in the hospital buildings—the extent to which the recommendations in these reports were carried out will of course be a priority issue for the inquiry."

Mr Tam Dalyell (Lab Linnithgow) urged the Government to get in touch with two electricians, Mr George Sturch Edwards and Mr William Burridge, who had pleaded with the authorities to take the fire risk at the hospital seriously.

The tragedy was "foreseeable and foreseen, predictable and predicted."

British nurse is heroine of hospital blaze

TRAGEDY HITS FALKLANDS

By GRAHAM BOUND in Port Stanley and TED OLIVER in London

A BRITISH nurse died a heroine on the Falkland Islands yesterday trying to save her patients in a fire.

Barbara Chick, who emigrated last June, was among eight people killed when a blaze swept through Port Stanley's ageing wooden hospital just before dawn.

Last night it emerged that a report to the Government by housing inspectors a year ago warned that the hospital was a fire risk. At Westminster the Foreign Office was under attack for failing to act quickly enough — an architect was due to fly to the islands after Easter to look at the possibility of building a new hospital.

The tragedy stunned the close-knit island community — claiming more civilian lives than the 1982 war with Argentina.

One Falklands farmer said: 'There are not very many of us and we all know one another. Any death affects every single one of us.'

Adventure

'Nurse Chick had become very quickly known to us. She was very popular, and her courage will never be forgotten.'

Nurse Chick, who was 35, ignored orders to stay out of the burning building and insisted on going back to search for a young mother and two-week-old baby she had been looking after. They died too.

At home in Shirehampton, near Bristol Nurse Chick's mother Mrs Marion Chick, said: 'It was typical of Barbara. She would do anything for her patients.'

Father John Chick said that Barbara had a thing about the Falklands. She had a great sense of adventure. But she particularly wanted to get involved in the work being done there she wanted to do her bit.

In her letters she said that she loved the islands, the lifestyle and the people. Her last letter, looking forward to a six-week home leave at Christmas, arrived yesterday.

Barbara, a divorcee, came from a nursing family. Her mother is a retired

Hospital heroine

Continued from Page One

nurse and her sister Mary is also a nurse.

Hundreds of servicemen joined the island fire brigade in fighting the blaze. Helicopters and boats brought in extra equipment.

It took four hours to quell the blaze and there was no word as to its cause. It spread from the 1930's wooden main building to a prefabricated unit, built since the Falklands War for service patients, and to a nearby wooden house, also destroyed.

The others who died were an elderly man and woman in the geriatric ward and three women in their fifties. One, Mrs Topsy McPhee, was the wife of the island's fire chief Pat McPhee. He and Len McGill, whose wife and baby were killed, were among those fighting the blaze. So was the Governor, Sir Rex Hunt.



BARBARA CHICK Died a heroine

One eye-witness said: 'Some of the women patients escaped by squeezing through narrow ward windows and were caught by rescuers below. The younger women helped the old to get out first.'

One of the elderly women who escaped said: 'It all happened very suddenly, fire seemed to be dropping from the ceiling.'

Mrs Thatcher sent a message of sympathy and promised the Government would try to speed up the building of a new hospital. 'We are ready to help in every way we can,' she said.

The probability is that one of the floating 'hotels' anchored at Port Stanley to provide extra accommodation, will be used as a temporary hospital until plans for a permanent new one are sanctioned.

Falklands hospital fire kills 8

Daily Telegraph Reporter

A NURSE from Bristol, who defied orders to try to save an 86-year-old patient, was among eight people who died in a fire which destroyed two-thirds of the Falkland islands' only hospital yesterday.

Nurse Barbara Chick, 35, who emigrated to Stanley last year, was overcome by smoke as she tried to rescue Mr Frederick Coleman who had only one leg and was confined to a wheelchair. He too, died.

The other dead—all islanders—included Mrs Teresa McGill and her two-week-old baby Karen.

Mrs McGill locked herself in a concrete-built bathroom with her baby to escape the flames, but they were killed by fumes.

The four other victims were all women.

Three-hour blaze

Servicemen fought the three-hour blaze which began at 5 a.m. Patients were passed through windows of the mainly-wooden buildings into the arms of rescuers.

Nurse Chick went into the smoke-filled hospital despite orders that everyone except fire-fighters should leave.

The fire claimed the lives of more islanders than the Falklands war, during which three residents were killed.

The flames destroyed five wards erected by the Royal Engineers for military patients but no Servicemen were injured.

Nurse Chick's mother, Mrs Marian Chick, said at her home in Shirehampton, Bristol: "Nursing was her life and she would do anything for her patients. Barbara was always a very brave girl."

Her father said: "She particularly wanted to get involved in the work being done in the Falklands. She wanted to do her bit."

Falklands hospital blaze

Eight civilians died, including a mother and child and a nurse, when fire gutted the Falkland Islands' only hospital, at Port Stanley. The Government plans an inquiry.

"Almost as soon as she arrived she signed on for an extra year. We had a letter from her only this morning and she said she was counting the days when she could come back for her six-week break next Christmas to see us all."

A temporary hospital has been set up in the town hall at



Nurse Barbara Chick: Falklands heroine.

Stanley, and Mrs Thatcher told the Commons that the Government would do all it could to speed the erection of a new building.

Mr Robert Key, Conservative MP for Salisbury claimed that the Government had known since last June that the hospital was a fire risk and had faulty electrical wiring, but had done nothing to tackle the problem.

Mr Key added that when he had tried to table parliamentary questions, he had been told that he could not do so because safety at the hospital was a matter of the Falkland Islands Government.

The Telegraph
11/4/84

Heseltine in battle over spending

By GRAHAM PATERSON
Political Staff

A NEW battle between Mr Heseltine, Defence Secretary, and other spending Ministers, is emerging over the levels of long-term military spending to be detailed in next month's Defence White Paper.

The White Paper was sent back by a Cabinet committee to the Ministry of Defence for re-drafting and the revised draft is expected to be considered by full Cabinet tomorrow.

Britain is abandoning its commitment to Nato to increase defence spending by three per cent a year after 1985-86.

But, in real terms, the level of defence spending is planned to continue to grow faster in subsequent years than spending by other departments.

The White Paper will confirm that defence spending will continue to grow by about one per cent annually after 1986.

There is mounting resentment in Whitehall, while other budgets are being slashed, defence spending appears unstoppable, particularly on equipment.

No serious rift

Ministry of Defence sources insist that no serious divisions within the Government have emerged over the defence White Paper and claim that only small parts of it have been returned for de-drafting.

But Ministers have been expressing concern privately that commitments which are being made by the Ministry could cause other programmes to be cut from 1987 onwards.

They argue that the Trident missile programme, which is expected to cost £9 billion and which has attracted much criticism from Labour, is only the tip of the iceberg of a high investment programme in defence.

According to the Government's expenditure programme civilian staff in the Defence Ministry are to be cut by 30,000 (a 15 per cent reduction by 1988).

The number of Servicemen is "under review" for 1985 and beyond and cuts are expected.

Value for money

Mr Heseltine has attempted to counter criticism within the Government by emphasising that there is a limit to what the economy can afford on defence in peacetime, but that with an extra one per cent annually he will be able to find more value for money.

This year the total defence programme is planned to cost £17,031 million rising to £18,660 million by 1986.

The inexorable pressure of rising costs in defence was made clear in the Green Paper published with the Budget last month on long-term Government spending plans.

It stated that where external threats to Britain are backed by increasingly sophisticated equipment "there will be pressure to match them by comparable improvements in our own defence equipment."

Financial Times 11.4.84

Nurse dies tending patients in Falkland fire

POST CORRESPONDENT

A baby and a nurse who refused to leave her patients were among eight people who died yesterday when fire wrecked the Falkland Island's only hospital.

The deaths far outweighed the islanders' loss in the 1982 conflict with Argentina, when three islanders were killed.

Seven of yesterday's dead were islanders being treated in Port Stanley's 50-bed wooden hospital, the King Edward VIII. They included a young mother, Mrs. Theresa McGill, aged 26, and her daughter Karen, two-weeks-old.

The eighth victim was Nurse Barbara Chick, aged 36, who emigrated from Bristol last year. She ignored orders to keep out of the burning building and stayed with her patients until she was overcome by smoke.

The Government promised an inquiry into the mystery fire, which destroyed two-thirds of

the building, including the military wing used by British troops.

Mr. Robert Key, Conservative MP for Salisbury, claimed in the Commons that a report condemned fire safety at the hospital more than a year ago.

Mrs. Thatcher sent a message of sympathy to the islands' civil commissioner, Sir Rex Hunt, and said the Government would speed up the building of a new hospital. "Our thoughts are with all of you in the Falklands at this sad time," said her message.

Wing

The patients who were not injured, 14 servicemen and nine civilians, were moved last night to a makeshift ward in the town hall.

Two hundred British troops and RAF men helped to fight the fire, which took three hours to bring under control.

The fire spread to a new pre-



British troops help firemen to tackle the fire which claimed eight lives at Port Stanley's only hospital.



Mother's tribute

Nurse Barbara Chick (left), died doing what her mother Marian said last night was typical of her. Mrs. Chick said: "Nursing was her life and she would do anything for her patients. Barbara has always been a very brave girl and her work meant everything to her." Her father, John, said: "Almost as soon as she arrived she signed on for an extra year. She particularly wanted to get involved in the work being done in the Falklands."

Fleuret, in her 80s; Mrs Topsy McPhee, aged 56; Mrs Mabel Neilson, in her 60s; and Mrs Mary Smith, in her 50s. An inquest is to be held.

Mrs McGill's niece, 22-year-old Mrs Trudy Manners, an islander who married a British serviceman and lives in Plymouth, said she was devastated.

Maternity

"I knew them all before leaving the Falklands five years ago," she said. "They would have been in the same part of the hospital as Theresa because the maternity and old people's wards are on the same floor.

"I lost another aunt during the Falklands war killed when a shell hit her house. But this is worse. "I knew my aunt was still in hospital and heard only this morning that my mother had also been admitted with cancer."

Karen was Mrs McGill's first child. "She was very excited about it and had wanted a child for a long time," said Mrs Manners.

fabricated military wing after taking hold of the 50-year-old hospital where hundreds of servicemen were treated during the Falkland campaign two years ago.

Injured patients were taken to the town hall, nurse's quarters

and private homes. Some were evacuated by helicopter from a nearby football field.

An order went out to all those not fighting the fire to keep out of the building, but Nurse Chick went back.

Sir Rex Hunt, was one of the

first at the scene, said: "We are deeply sorry for the bereaved and their families. The loss of eight lives out of our small population represents a great tragedy for these islands." He was chairing an emergency meeting of the island's Executive Council last night.

Thousands of pounds worth of medical equipment was destroyed. The Ministry of Defence said emergency field hospitals could be built if necessary.

The other islanders who died were Mr Fred Coleman, aged 86, a shopkeeper; Miss Gladys

Falklands without hospital after fire kills 8

By Paul Keel

EIGHT people, all civilians, died in a fire which destroyed the Falkland Islands' only hospital yesterday. The fire claimed more civilian lives than the conflict two years ago with Argentina.

The fire at the King Edward Memorial Hospital, Port Stanley, started early in the morning. Eyewitnesses said that the flames, fanned by strong winds, swept rapidly through the 50-year-old wooden building.

Army helicopters and small boats bought more than 200 servicemen from other parts of East Falkland to supplement the capital's own tiny fire-fighting force. But the fire took less than three hours to raze the 50-bed hospital which has been shared by the military and civilians since the recapture of Port Stanley.

Seven islanders, and a British nurse, Miss Barbara Chick, aged 35, who emigrated from Bristol a year ago, died. Reports from Port Stanley said that Miss Chick stayed with the patients during the fire but was overcome by smoke and could not be revived.

Last night her mother, Mrs Marian Chick said: "It was typical of her to do that. Nursing was her life and she would do anything for her patients. Barbara has always been a very brave girl."

During the Commons defence committee visit to the Falklands last year Mrs Mij Bucket, a social worker, complained to the members about overcrowding at the hospital after the shared use with the military, a complaint which had also been voiced by Dr Alison Bleamey, the hospital's senior medical officer.

Yesterday in the Commons, Mr Robert Key, the Conservative MP for Salisbury, declared that more than a year ago a report was made condemning fire safety in the hospital. "British troops were moved out some weeks ago because of the fire hazard," he said.

The cause of the fire had not been established last night although some sources in Port Stanley suggested that it might have had its origin in electrical equipment.

It has left the 1,800 islanders without any hospital facilities other than the emergency ones created yesterday at the town hall, where 14 servicemen and nine civilian patients were

Eight die as Falklands hospital is destroyed

Continued from page one
being accommodated last night.

The small and rudimentary building is unsuitable for any long-term medical use and the British Government faces the problem of improving this situation immediately and then constructing a new hospital.

In a message yesterday to Sir Rex Hunt, the islands' civil commissioner, the Prime Minister, Mrs Thatcher promised: "We are ready to help in every way we can." And she told a backbench questioner: "A new hospital is planned and of necessity will take some time to build. We will do all we can to speed up the building, and in the meantime provide alternative facilities." In the Lords the Government spokesman, Lord Trefgarne announced an inquiry into the fire.

Before the war with Argentina in 1982, Falkland islanders requiring major operations were treated in Buenos Aires. Yesterday, according to a spokesman for President Raul Alfonsin, the Argentine Government had received no communication from Britain concerning the disaster.

But a senior official at the foreign ministry hinted that

humanitarian requests would be answered. However, the official noted that sending assistance while the 150-mile exclusion zone around the islands remained in force would be a little difficult.

The Falkland Islands Government Office in London yesterday named the islanders who died as Mrs Theresa McGill, a young mother in her twenties and her two-week old baby; Mr Fred Coleman, 86, a shopkeeper; Miss Gladys Fleuret, in her eighties; Mrs Topsy McPhee, 56; Mrs Mabel Neilson, in her sixties; and Mrs Mary Smith, in her fifties. Three civilians were killed during the fighting with Argentina.

Sir Rex, whose official residence is only some 100 yards down the coast road overlooked by the hospital, was among the first islanders at the scene yesterday. He took part in the evacuation of patients to the town hall and afterwards expressed his profound shock at the fire.

Sir Rex also noted that the lethal combination of fire and the strong westerly winds which are a predominant feature of Port Stanley weather had always worried the capital, given the abundance of wood in its buildings.

The Guardian

11/4/84

Cost of new airfield

THE COST of buying the land on which the new airfield in the Falkland Islands is being built will amount to a total of £238,877.

Mr John Stanley, the Junior Defence Minister, said in a written answer in the Commons that the Government had paid £55,000 for the 8,300 acres of what will become Mount Pleasant airfield.

In addition the Government had to pay severance compensation, assessed at £100,000. The building of the airport has also meant that Mount Pleasant House and other farm facilities are being resited at a cost of £83,877.

The new airfield should be in operation in a year's time.

Falklands issue avoided

BRITAIN is thought to have avoided direct mention of sovereignty over the Falklands in its latest message to the Argentine Government, *Jeremy Morgan writes from Buenos Aires.*

Replying to Argentine proposals sent to London in February, the British Government instead called for the restoration of diplomatic and trade ties with Argentina, according to Mr Adolfo Gass, head of the Senate Foreign Affairs Committee and an influential member of the Argentine Government's Radical Party.

After a meeting with President Alfonsin, Mr Gass said: "I have the impression the British Government continues to insist on the renewal of diplomatic and commercial relations and wants to leave for a second time the other themes that interest us deeply."

McMillan-Scott Associates Public Affairs

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Falklands hospital a known fire risk

By Alan Hamilton

Staff at the Falkland Islands' only hospital in Port Stanley had said that there was an extreme fire hazard and had asked urgently for new accommodation, more than a year before it was destroyed by fire yesterday, killing seven patients and a British nurse.

Miss Jacqueline Gant, the hospital's former matron, who returned to Britain last July, told *The Times* last night that she and other medical staff had prepared a report on the hospital's dangerous condition for the islands' government.

"We were extremely concerned about the condition of the old building, particularly as it was obliged to cater for many more patients, including military personnel, in the wake of the Falklands war", Miss Gant said.

"All we were able to achieve was to have the very old and dangerous electric wiring replaced. The building was not only dangerous, but inadequate."

The Overseas Development Administration in London confirmed last night that it had prepared its own report last year on the need for a new hospital in Stanley, and had intended to send out an architect to the Falklands soon after Easter.

The alarm was raised at 4.30 am local time, but it was nearly two hours before RAF firefighting teams from Stanley airfield, hampered by bad roads, were able to reach the scene to aid the town's tiny volunteer fire brigade.

The King Edward Memorial Hospital, its oldest part dating from 1914 was, like most buildings in Stanley, constructed of wood with a corrugated iron roof.

There were fears that a westerly gale might fan the flames across the entire town, but in the event only two houses near by were destroyed, in addition to most of the hospital, including its recently-built military wing of portable buildings.

Two hundred servicemen were brought by helicopter from Army bases on the edge of the town to a football field behind the hospital, and by boat to a jetty on the shore near by. They helped to evacuate nine civilian and 14 military patients to the town hall 400 yards away, where an emergency field hospital was set up.

Among the rescuers was Sir Rex Hunt, the civil commissioner, who was roused from his bed at Government House, a short distance away, by the sound of a fire alarm. He described the deaths as a great tragedy among such a small population. During the conflict with Argentina only three civilians died.

The cause of the fire remained unknown last night, although unconfirmed reports said that it started in a

Continued on page 2, col 7

Fire risk was known

Continued from page 1

solarium. The Government is to hold an inquiry.

The nurse who died was Miss Barbara Chick, aged 35, of Shirehampton, Bristol, who took up her post last year.

Her father, Mr John Chick, said last night that she had been particularly keen to work in the islands and had written to Sir Rex asking for a job.

Among the seven islanders who died were Mrs Theresa McGill and her two-week-old baby. The remainder were elderly people overcome by smoke in the geriatric ward.



Miss Barbara Chick: Died helping patients.

The Telegraph 11/4/84

Monumental voyage

FOUR BLOCKS of granite, required to complete the Falklands Liberation Monument to the British men and ships of the 1982 conflict, are finally on their way to Stanley aboard the German freighter Slottergracht. They should be in position by June 14, the second anniversary of the Argentine surrender.

The monument has been plagued by bad luck. The ship Sir Caradoc left England last year with the seven original blocks but broke down opposite the Canaries and had to transfer them to the Danish freighter Kraka.

Before the blocks could be off-loaded at Port Stanley the Kraka had a serious fire in its forward hold and four of them were damaged beyond repair. The islanders, who have so far raised £50,000 of the £59,000 needed for their tribute, hope to have better luck with the replacements.

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MOTHER AND BABY AMONG VICTIMS AS MP RAPS 'FIRE TRAP' BUILDING

Falkland horror blaze kills eight

Heroine nurse dies in bid to rescue patients from hospital disaster

DEVOTED nurse Barbara Chick was hailed the heroine of the Falklands hospital blaze which killed eight people yesterday. Brave Barbara, 35, from Bristol died trying to save her patients as the fire raged around them. She was overcome by smoke and could not be revived.

The other seven victims were all islanders. They included a young mother, her two-week-old baby and several geriatric patients. The blaze at the 50-bed King Edward Memorial Hospital in Port Stanley began at 4 a.m. One witness said the old wooden building exploded in a fireball minutes after the alarm was raised.

Firemen wearing oxygen masks rescued 23 patients 14 of them servicemen before they were engulfed in flames.

An emergency field hospital was set up in the town hall and patients were evacuated to nurses' quarters and private homes.

It took 200 servicemen—some had fought fires during the seventies firemen's strike in Britain—three and a half hours to quell the blaze.

By then, the 50-year-old hospital and its new pre-fab military wing were a charred ruin. Outbuildings and an adjacent house were also badly damaged.

The Government has launched an immediate inquiry into the blaze, after Tory MP Robert Key claimed a report had branded the hospital a death trap more than a year ago.

Last night the heartbroken parents of nurse Barbara spoke of their daughter's heroic sacrifice.

"It was typical of her," said Mrs Marian Chick at the family's home in Shirehampton, Bristol.

BY ALEX HENDRY

"She would do anything for her patients. She has always been a very brave girl."

The Chicks had just received a letter from her saying how much she looked forward to seeing them on her Christmas break.

The other seven victims were: Mrs Teresa McGill, 25, and her baby Karen, six; Mary Smith, Mrs Topsy McPhee, Mrs Mabel Neilson, Miss Gladys Fleuret, and shopkeeper Fred Cloeman, 86. Mrs Thatcher sent a message to the Falklands Commissioner, Sir Rex Hunt, saying: "I send my deepest sympathies. Our thoughts are with all of you in the Falklands at this sad time."

In the Commons she promised to speed up building of a new hospital. Emergency medical supplies were being prepared to send out to the islands.

Daily Express
11/4/84

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HEROINE NURSE DIES IN HOSPITAL FIRE TERROR



Nurse Chick . . . praised

THE parents of a British nurse, killed with seven patients in yesterday's Falklands hospital blaze, talked of her bravery last night.

Mrs. Marion Chick, whose daughter Barbara, 36, stayed with her patients until she was overcome by the choking smoke, said: "It was typical of her."

"She would do anything for her patients. Barbara was always a brave girl. Her work meant everything to her."

Her father John, 66, added in Shirehampton, Bristol: "She particularly wanted to get involved in the work being done in the Falklands—she wanted to do her bit."

Flames quickly took hold of the 70-year-old wooden building in Port Stanley—the islanders' only hospital.

At the height of the blaze nearly 200 servicemen were involved in heroic rescue work, ferrying the dozens of injured to temporary beds in the town hall.

British ships offshore were also being used as first-aid centres.

Water was pumped on to the blazing building from the sea and helicopter pilots flew missions through the dense smoke to deal with the dead and injured.

The casualties could have been much worse—14 soldiers in the hospital had recently been moved to a brick-built military wing.

The Government had been warned more than 12 months ago that the hospital was a fire risk, it was revealed last night.

Officials admitted they

STAR REPORTER

had seen a report which criticised the accommodation, size and facilities.

Among the seven islanders who perished in the inferno were a two-week-old baby and her mother.

Last night a huge airlift of medical supplies was being organised from London.

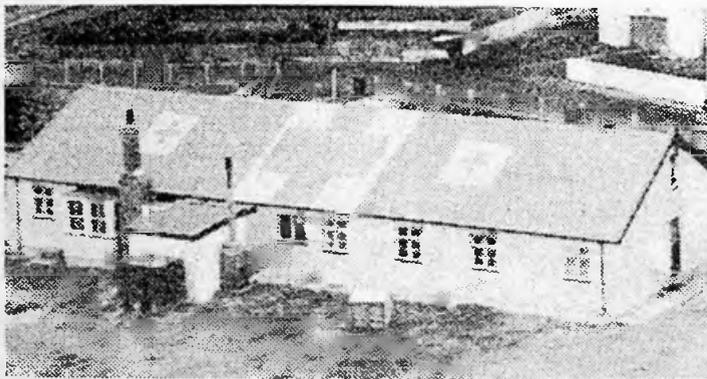
A senior official at the Ministry of Defence said: "We have no idea at the moment how it started. We believe it was an accident. The first priority is to get down there whatever help is needed."

Mrs Thatcher told the Commons a new hospital "is planned... we will do all we can to speed it up."

'We share your grief'—Maggie

THE airlift alert came after Mrs. Thatcher demanded first-hand reports of the tragedy.

And in a message to the islanders she said: "I send my deepest sympathies to the families who have lost loved ones and to the injured. Our thoughts are with all of you in the Falklands at this sad time."



The wooden hospital at Port Stanley . . . "a fire risk"

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ANGEL BARBARA DIES IN FALKLANDS FIRE HORROR

By JOHN KAY

HEROIC British nurse Barbara Chick died yesterday battling to save patients in a horror blaze which killed at least seven Falkland islanders.

Angel Barbara, 36, who volunteered for service after the South Atlantic war, refused to leave her post when

fire engulfed the tiny wooden hospital.

She fought through smoke and fumes and saved several elderly patients before being overcome.

A mother and her two-week old baby were among the victims of the blaze which killed six more civilians than the whole Falklands war.

No British forces were injured, although five concrete military wards nearby were burnt out.

Among the first people at the scene was island commissioner Sir Rex Hunt, who helped several people out of the blazing, 50-bed building at Stanley.



Sir Rex . . . raced to help victims

said last night at their home in Shirehampton, Bristol: "It was typical of Barbara to do that."

"Nursing was her life **IN THE COMMONS** Tory MP Robert Key claimed British troops were moved out of the hospital some weeks ago because it was a fire hazard.

Premier Margaret Thatcher did not comment on the allegation.

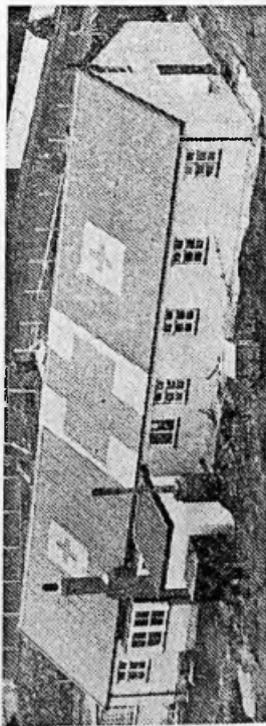
Refused

Last night the Falklands Government Office said: "Barbara Chick died a heroine."

"She refused to leave her post, and eventually was overcome by smoke and suffocated."

"As she was a volunteer worker from Britain, we owe her a tremendous debt of gratitude."

Heartbroken parents John and Marion Chick



The Falklands hospital . . . eight died in horror fire

Nurse dies in Falklands fire horror

THE

HEROINE

By SYDNEY YOUNG

BRITISH nurse Barbara Chick died trying to save her patients when fire destroyed the Falkland Islands' only hospital yesterday.

Barbara, 35, was suffocated by smoke as she tried to drag patients clear of the 50-bed wooden hospital.

Seven other people died in the blaze in the capital, Port Stanley.

Barbara's mother Mrs Marian Chick said at her home in Shirehampton, Bristol, last night: "It was typical of her.

"Nursing was her life. She would do anything for her patients. She was a very brave girl."

The death toll—which included a mother and two-week-old baby—was greater than the civilian toll in the war with Argentina two years ago.

Three civilians died in the 74-day conflict.

Two hundred servicemen helped fight the blaze in the rickety 1930s building.

Tragedy

RAF fire-fighters pumped seawater to drench the hospital, and other servicemen helped ferry patients to Port Stanley town hall. The island's civil commissioner Sir Rex Hunt was among the volunteers who fought the flames for three hours.

Afterwards, smoke-grimed and exhausted, he said: "We are deeply sorry for the bereaved and their families. The loss of eight lives out of our small population represents a great tragedy for these islands."

The mother and child who died



DEVOTED: Nurse Barbara

were Theresa McGill, 26, and her baby Karen.

Theresa's niece Trudy Manners, who lives in Plymouth, said: "It was her first baby. She had wanted a child for a long time.

"It's a terrible tragedy."

In the Commons the Government was facing a bitter row last night over a decision to spend £200 million on a new airport runway at Port Stanley before renovating the hospital.

Times
11.4.84

Tour de farce

It's nice to know that one band of sportsmen have managed to have a more disastrous tour than England's cricketers. The Argentine soccer side San Lorenzo, who finished as first division runners-up, had such an awful time in Central America that they were stuck without even enough money to get home and had to scratch about for an unscheduled fixture to raise the cash. Their problems were caused by the tour promoter, who vanished with all the takings, leaving the players with a hotel bill, no money and no idea where they were due to play next.

Simon Barnes

Times
14.4.84

Watered down

The outrageous American comedienne, Joan Rivers, has gone soft. At her own request, four minutes of unorthodox remarks about the Royal Family have been cut from her latest record, *Can We Talk?* Only the Americans will be privy to such Rivers jibes as the one about Prince Charles and his ears - "They're so large he could hang-glide over the Falklands," she says on the uncensored US issue. According to her agents, Rivers asked for the cuts in a spirit of evenhandedness. "She objects to Brits who go to the States and slag off the Reagans." Such reticence is scarcely shown by Central Television. Its *Spitting Image* satirical programme last Sunday had a puppet caricature of Princess Margaret attempting a saucy strip. No more than five complained about the entire show.

Daily Telegraph
17.4.84

Fair deal

MY RECENT note about the two Argentine Agusta helicopters entering service with the Army Air Corps has prompted Major Peter Cameron, the former commanding officer of 3

Commando Brigade Air Squadron, Royal Marines, to write giving the story of their capture.

The machines were secured by the major and a team from his squadron (The Teeny Weenies) "just east of the grandstand" on Stanley race-course early on June 14, 1982.

"We flew forward in a Scout helicopter to land amongst the forward elements of 2 Para and quickly claimed these two splendid spoils of war, complete with flying and technical manuals and even the pilots' flying helmets," he says.

"At the time both helicopters' engines were still hot, both aircraft having been just flown in by the enemy."

Cameron and Cdr Simon Thornewill, then CO of 846 Naval Air Squadron, worked through the manuals and hover-tested both aircraft.

"We struck a bargain," says Cameron. "If Thornewill were to arrange transportation back to the U.K. in HMS Fearless, we agreed we would claim one each!"

Back to Belgrano front

Sir, — Your report on Mrs Thatcher's reply to questions from Denzil Davies about the sinking of the Belgrano (April 6), a reply which raises more questions than it answers shows the Government to have deliberately misinformed the House of Commons and reinforces current demands for an independent commission of enquiry into the incident.

Mrs Thatcher has now admitted that the Belgrano was observed and followed by Conqueror for many hours before being attacked. She still insists, however, that information concerning the Peruvian peace plan did not reach London until over two hours after the cruiser was sunk.

Concerning the first point, the letter is directly contrary to John Nott's report to the House of Commons two days after the attack when he said that the Belgrano was sunk immediately upon being detected by Conqueror. The Government continued with this version of events during the rest of the week.

Their version of events was that this sudden new threat had to be dealt with at once. We now know that the Belgrano was heading for Argentina, had been tracked for many hours and that the order was given by Mrs Thatcher after ample consideration of the circumstances. If this had been known at the time, it would have put an entirely different complexion on our whole conduct of the war during that crucial period when hostilities escalated alarmingly.

Concerning the Peruvian peace plan, as you reported on April 3, Mrs Thatcher's claim that nothing was known of the plan conflicts totally with Alexander Haig's memoirs, where he states

that the Peruvians "gained acceptance in principle from both parties" prior to the attack on the Belgrano, and that it was this event which ditched the peace plans.

Finally, Mrs Thatcher's letter persist with the claim that the Belgrano was part of a pincer movement against the Task Force, even though it was sailing in the opposite direction when attacked. This "anomaly" is dismissed as irrelevant, suggestions having been made that the cruiser kept on changing course.

We know, from sources on the Conqueror itself, that this was not the case, that the Belgrano had been on the course, steadily and without deviation, for many hours. It would appear that Mrs Thatcher has thus uncovered an exciting new concept in naval warfare — sailing into the attack backwards!

Twelve years ago, President Nixon won a landslide election, only to be forced from office after the Watergate affair. The Belgrano incident concerns something rather more serious than burglary. — Yours sincerely,

(Dr) Paul Rogers.
Huddersfield, W. Yorkshire.

British reply on Falklands

Buenos Aires — Britain's reply to the latest Argentine proposals for resolving the Falklands conflict suggest the resumption of diplomatic and commercial relations, but avoids any discussion of sovereignty, according to Senator Adolfo Gass, chairman of Argentina's senate foreign relations committee (Douglas Tweedale writes).

The senator admitted that he had not seen the text of the British letter, which was delivered on Friday, but said he had been present when President Alfonsín was briefed about its contents.

Peers query cost of airfield

FALKLANDS

The first runway to be built at Mount Pleasant airfield on the Falkland Islands should be operational in about a year, Lord Trefgarne, Under Secretary of State for the Armed Forces, told the House of Lords during question time. The initial cost of land, including compensation, would be £238,877.

Answering a question by Lord Orr-Ewing (C), Lord Trefgarne said: The contracts for purchase have now been exchanged. The price paid for the 8,300 acres was £55,000.

In addition, the normal severance compensation had been paid and was assessed to be £100,000. The construction of the airfield necessitates the resiting of Mount Pleasant House and other farm facilities and services to enable farming operations to continue, the cost of which is £83,877.

Lord Orr-Ewing: Was it as a result of using negotiations rather than compulsory purchase that he was able to buy this farm land at just over £6.50 an acre? When will the first runway become serviceable for operational purposes?

Lord Trefgarne: We prefer to acquire land by voluntary agreement rather than compulsory purchase. As a result of reaching voluntary agreement they were able to grant us a licence to begin work on the airfield as a result of which the first runway will be operational at about this time next year.

Lord Beswick (Lab): Taking account of compensation, does that not mean the price was £30 an acre?

Lord Trefgarne: Compensation is quite a separate matter.

Lord Cledwyn of Penrhos, leader of the Opposition peers: Did representatives of the Property Services Agency visit the Falkland Islands and inspect the land? What is the average price of land in this area of the Falkland Islands and is it true, as reported in the press, that the figure is between £1 and £2 an acre?

How can the sum of £100,000 paid for disturbance be justified?

Lord Trefgarne: The Property Services Agency were the Government's principal, but not only, advisers in this matter.

The average price for land depends upon the profitability of the land and the number of sheep it will sustain and the price we have paid reflects the fact this is rather good land.

The site is in the middle of a much larger farm and the piece of land we have acquired has divided that farm up substantially. It was that factor we took into account

SPECTRUM

Beside a picture of Caernarfon Castle and a big black Welsh Bible, Trevor Fishlock took tea and scones with Handel and Glenys Jones. But there were Spanish words among the conversation and Wales was half a world away, for the Joneses live in the Welsh settlement in Patagonia and they "are Argentines now"

Keeping down under with the Joneses

The road from Trelew to Gaiman was empty, snaking over a stony Patagonian landscape studded with dusty green bushes of bitter thorn. I turned from this lunar desolation to the local newspaper I had bought at the airport. The main story was about exhumations, the unearthing of the bones of 20 people from this district who had disappeared in the repression.

The town of Gaiman lies in the shallow Chubut Valley and the wind rushes through it, bowling great balls of dust and banging into creaking windbreaks of poplars. The main street, on this hot Sunday afternoon, was wide and empty, like the street in *High Noon* before the showdown.

At last, I found a man making a zoo. He was cutting out animal shapes from sheets of tin and planting them among the flowers in his garden, and he had rigged a sign inviting visitors to inspect them. He was printing stripes on a zebra, and a tin tiger was drying in the sun. I asked him where the Joneses lived.

He frowned until I remembered to give Jones its Spanish pronunciation of Hone-ess. He gave directions and soon I was in the kitchen of Handel and Glenys Jones. They were with their cousin, Mrs Gweno Rees de Jones, and they were all pink and jolly, as if in studied defiance of the tough, dry land in which they lived.

In my honour Glenys took her hair out of curlers and put on a new mauve pinafore, made in Wales. It being teatime, they insisted I had a proper tea of bread and butter, jam, scones, cream and cake. They thought me odd for refusing milk and sugar in my tea and looked into the cup and said "Dim laeth, dim siwgr, fancy..."

The tea room is decorated with tea

Beside a picture of Caernarfon Castle

and a big black Welsh Bible,

Trevor Fishlock took tea and scones with

Handel and Glenys Jones. But there

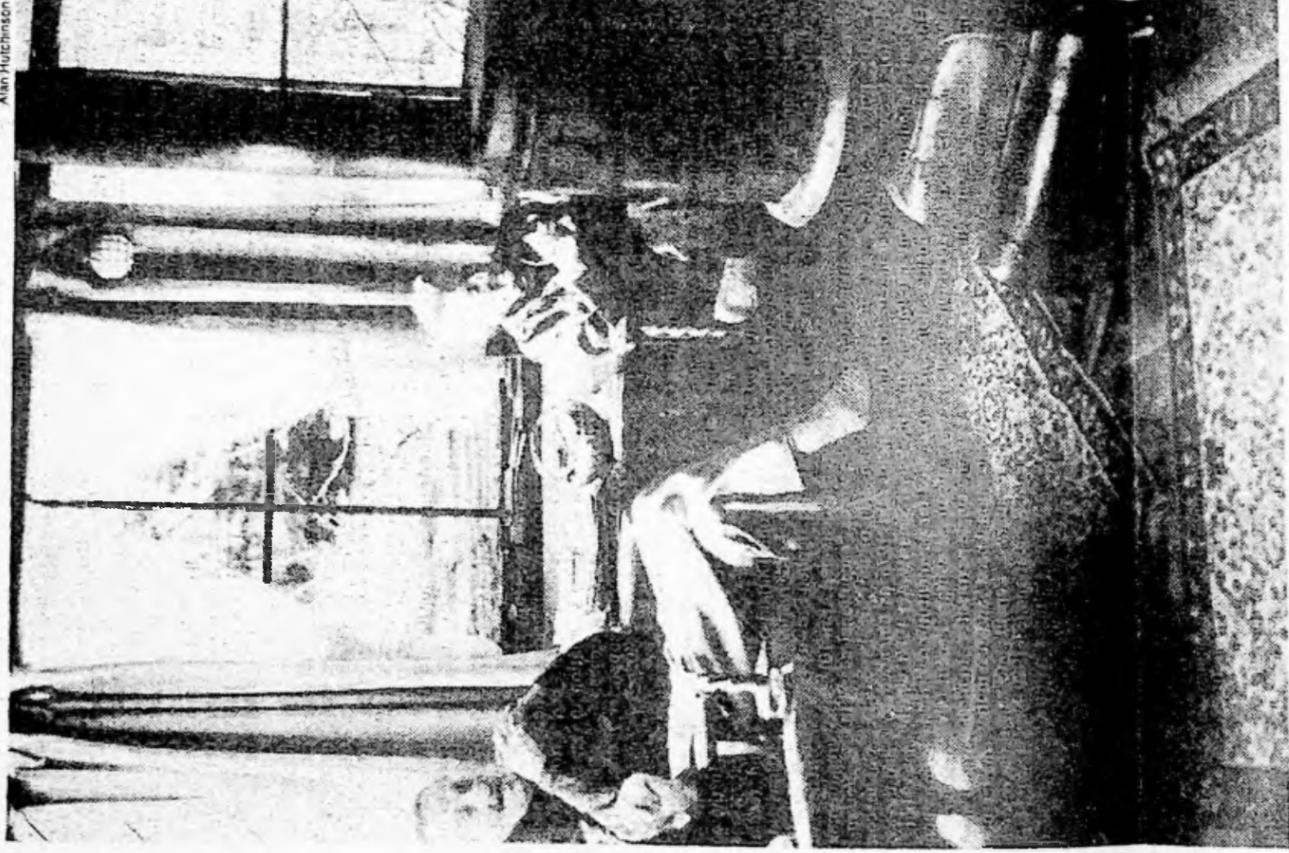
were Spanish words among the conversation

and Wales was half a world away, for

the Joneses live in the Welsh settlement in

Patagonia and they "are Argentines now"

Alan Hutchinson



A Welsh welcome in the Patagonian hillside

Miss Tegai Roberts has photographs of her pioneer family on her mantelshelf in Gaiman. Her great-grandfather went to Patagonia ahead of the Mimosa, to scout the land, and was at Puerto Madryn to meet the ship.

"It's a pity you weren't here for chapel this morning", Miss Roberts said. "We had a lovely service. We were celebrating the chapel's ninety-second anniversary and had 100 in the congregation, nearly all Welsh-speaking."

She is the curator of the *Museo Gales*, the Welsh museum housed in Gaiman's old railway station. It has photographs of settlers, grouped like rugby teams, voting registers and a ballot box, rifles with broken stocks tied with string, branding irons and a register of brands compiled as an anti-rustling measure. There is a Welsh dresser with mugs, jugs and teapots bearing the image of the Rev. Michael D. Jones, the North Wales preacher who inspired the Patagonian expedition, but who did not himself settle here. There are volumes of the colony's newspaper, *Drafod*, which exists today as a literary journal, a harp, a piano and an eisteddfod chair and programmes.

The eisteddfod, every October, attracts about 2,000 people. It is a bilingual, Spanish and Welsh, festival. But the number of people writing poetry in Welsh is small and dwindling. Hundreds of people in Patagonia still speak Welsh, but the language belongs primarily to the middle-aged and the old. A number of young people are trying to ensure that continuity is

Wales. In Esquel, I stayed at Mrs Megan Rowlands' guest house and she insisted I consume a large tea of scones and cream and packed me off next morning with a breakfast of eggs and fat sausages.

There were gauchos at the bus station in low black hats and baggy trousers, looking as bereft as the habitually mounted always do when horseless. I took the bus through a magnificent vista of mountains to the pretty town of Trevelin, founded by a Welshman, 14 miles from Esquel. Mounted sheep-herders were rounding up flocks on the green hillsides with the help of dogs. The Welsh flavour of Trevelin comes through in its house names and on the election posters, and its citizens include Oscar Kansas Jones, Camwy Jones, Inigo Jones and Gildwr Williams.

In Esquel, I met Mrs Rhianon Aplwan Gough, another great-granddaughter of the Patagonian pioneer who met the Mimosa. Her husband, Jimmy Gough, is a leading sheep breeder, known as El Ingles, partly because of his English ancestry but also because of his squirrely bearing. He is 62 and was born in Trelew.

His father was a Wiltshire man who used to run mule trains carrying freight across Patagonia. Mr Gough did his national service in the Argentine army and then, because the Second World War had started, went to Britain as a volunteer and served in the Royal Artillery.

Mr Gough has an *Estancia*, a ranch of 3,700 acres near Trevelin and another - 36 leagues away, as he puts it - of 42,000 acres. He has *Merino sheep* and Hereford cattle, and he remarked that since the Falklands War he had not been able to get sperm from England for the cattle.

"When the war started, the police offered me protection, but I did not accept it. We are Argentines after all, and, although I have a British passport, this is the country we are committed to, where our children were brought up. My Argentine friends and I had an unspoken agreement in the war: We did not talk about it. Of course, all of us are delighted at the return of democracy. I suppose I could tell my friends that if Galtieri had won the war Argentina would still have a military government."

"Most people were please when the army took power in 1976 because we all wanted the terrorists flattened. But after a while we started hearing about the disappearances. A man I know lost a son. It was enough, it seems, for a boy to have been at university to come under suspicion."

His wife said: "We dare not hope for too much. One of the difficulties is that Argentines want miracles and quick answers and they expect the president to work wonders. Democracy gives us all a chance to start again, but I'm afraid that people may not be prepared to make the effort to make it work."

Argentines watch, fascinated, as an extraordinary period in their history unfolds under the leadership of the country lawyer, Raul Alfonsín. The Patagonian Welsh claim their share of him. Like Welsh people everywhere they have an abiding interest in genealogy, and, having examined the president's antecedents, have concluded that he is one-eighth Welsh.

Thus the descendants of the starry-eyed pioneers who came to this wild and formidable land to plant a democracy, deserve a certain satisfaction in the re-emergence of the democratic strain in their adopted country.

not broken, and a Welsh school has been started.

The Welsh in Patagonia, like many Argentines, do not find it easy to talk about the repression, for they learnt the habit of reticence under military rule.

"You don't know how long democracy will last", a woman said, "and we have taught ourselves to be careful. One day a Welshman was seized by the army and blindfolded and taken away. He came back after a few days, thank God. There was also a teacher, a nice man who never made any secret of his socialist views, who was taken away and never seen again. There was nothing anyone could do for him, for there was no one to turn to. The soldiers came to my house once and looked through the wardrobe and the books. There was no reason for it and it was frightening."

The bus from Gaiman to Trelew was packed. There were blue-eyed, fair-haired faces, black-eyed, flat-featured Indian ones, and a sprinkle of Spanish faces. Trelew is a town of low, grey houses, of dismal appearance. I took the bus on to Puerto Madryn, a resort on a long crescent of beach. It is battered by winds which roam the streets seeking a way out and never finding it. In the shop windows are tips of Welsh cake and plaster figures of the two motifs of the region, penguins and Welsh girls in tall hats.

The Welsh who made their way to the western side of Patagonia have settled in a landscape of more agreeable appearance. The foothills of the southern Andes are evocative of the Brecon Beacons and parts of North

A taste of the armed forces for Egon Ronay

EGO RONAY is investigating the food served in the canteens and messes of the armed forces.

The Ministry of Defence has given its blessing to the project, which will cover all branches of the Services, at home and abroad.

Mr Ronay and two of his inspectors have already sampled meals served to the ordinary ranks of all the Services.

A spokesman at the Egon

Ronay Organisation offices in London said: "His verdict is a trade secret at the moment, but no one has had a stomach upset so far."

Mr Ronay, who is more used to appraising Europe's finest restaurants, plans to eat on board frigates and submarines, share "compo rations" with the "Toms" in infantry regiments in Germany and dine from cardboard boxes with the RAF at 3,000 feet.

He will do 20 tests in all,

including meals at an Army hospital, and the results will be published in the next HOTEL AND RESTAURANT GUIDE in November.

The Egon Ronay Organisation will be paying for all the military facilities, just as they always pay the restaurant bills, to maintain objectivity.

"We decided on this because we have had a lot of interest in Service food from the public. Obviously it will be a bit different as members of the public

can't walk into a barracks and order a meal. We feel we will be writing for a captive audience in the same way as we did when we assessed motorway service stations," said the spokesman.

The emphasis will be on the food served to the "ordinary rank and file" rather than on the officers' messes.

A Ministry spokesman said: "There will be no restrictions except for security reasons, and Mr Ronay will be able to talk to the cooks and servicemen."

Argentina agrees to be discreet

By Jeremy Morgan in Buenos Aires and Patrick Keatley in London

Argentina has accepted a British suggestion that both sides should keep secret the present exchange of messages between London and Buenos Aires on the Falklands negotiations.

Britain's latest message, in response to an Argentine position paper that arrived in mid-February, was sent on Friday through the diplomatic channel established after the break in relations in 1982. It was delivered through the Swiss embassy in Buenos Aires and any reply will be transmitted through the Brazilian embassy in London.

In the period after the end of the Falklands campaign but before the elections that brought President Alfonsín's administration to power, British ministers learned to expect that any message from London would be leaked by the junta, together with critical comment. The new regime seems to accept the principle of confidential diplomacy.

The main Argentine concern now seems to be the lifting of the 150-mile exclusion zone around the Falklands which handicaps fishing operations as well as merchant shipping movements. The latest British note deals with this.

In Buenos Aires yesterday, Dr Elsa Kelly, a senior official of the foreign ministry said the British message was being analysed at "the highest levels" and that she had discussed it with President Alfonsín.

Part of the reason for the uncertainty of the official reaction to the British message appeared to be the absence of the Foreign Minister, Mr Dante Caputo, who travelled to the United States last Friday with the Economy Minister, Dr Bernardo Grinspun, for a week of talks concerned on the Argentinian debt and other international issues.

Diplomatic sources in Buenos Aires said it was unlikely that details of the British message would be released in the near future.

The Guardian 10/4/84

WAR MEMORIAL FOR FALKLANDS

A 22ft high granite memorial to the military units which took part in the Falklands conflict left Retford, Notts., yesterday bound for Port Stanley.

It replaces an earlier memorial which was damaged by fire on board a ship sailing for the Falklands last year.

McMillan-Scott Associates Public Affairs

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IMF INTERIM COMMITTEE MEETING

Argentina debt issue raises fears

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

THE WORLD'S financial leaders assembling in Washington tomorrow for the International Monetary Fund's Interim committee will certainly not be echoing Micawber's hope that "something will turn up."

For in recent years the Fund's meetings have provided an elaborate stage set for a series of impromptu scenes of crisis and financial brinkmanship.

Last autumn in Washington, it was the coralling of commercial bankers and official lenders into a debt rescheduling agreement for Brazil. The year before in Toronto, the discussion was all about how to prevent Mexico's debt problems from engulfing the financial institutions.

This week, the focus in all the offstage talks is likely to be the rescheduling difficulties of Argentina with a strong emphasis on various alarming possibilities of the "what if . . . ?" variety.

The most obvious anxiety is that Argentina will fail to accept the IMF's terms for a programme of economic reform, the essential first step for getting U.S. and other banks off the hook of admitting that their loans to Argentina cannot be

serviced.

In that case, could the IMF bend its rules, and if so how? This is certainly not the kind of question which Ministers and central bankers want to ask in public.

It perhaps helps to explain why three months ago, the major industrial nations reached a private understanding that this week's IMF meeting "was not really necessary."

By this, they meant that there was nothing to discuss which could not be better discussed in the more discreet counsels of the Group of Ten, the club for the 10 richest nations (now 11 including Switzerland) which meets as privately as it can.

This is still broadly their view, because most of the topics likely to be raised by the poorer countries bristle with potential embarrassment for the developed nations. These topics include:

- Calls from the Third World for a hand-out of liquidity through an increased allocation of Special Drawing Rights (SDRs), the Fund's own reserve currency. At present about SDR 17.5bn (\$18.6bn) are held in reserves.

Some countries would like this to be increased by more than half. But this would be a red rag to the U.S. Congress, which the Administration certainly could not afford to wave in an election year.

- A related issue, scarcely less embarrassing, is the proposal for a selective capital increase for the World Bank. This would move Japan up from fifth to second largest shareholder after the U.S.

Although this is generally agreed to be desirable, the U.S. is blocking the move until Japan takes steps to liberalise its capital markets.

- The subject of aid to the Third World is also hemmed with difficulties. The seventh replenishment of the International Development Agency, the World Bank's soft loans arm, for the next three years has been cut from \$12bn to \$9bn at the insistence of the U.S.

But formal agreement to this limited aid programme has yet to be reached.

- The only topic that promises some quiet satisfaction is the session on the World Economy. The most recent IMF forecasts suggest continued recovery with little acceleration of inflation.

Buenos Aires studies UK terms

BY JIMMY BURNS IN BUENOS AIRES

ARGENTINA yesterday confirmed that it was "studying" the latest British terms for the resumption of normal diplomatic and commercial relations between the two countries but indicated that it would not be rushed into any preliminary talks over the next few days.

Sr Dante Caputo, Argentine Foreign Minister, is to meet the United Nations Secretary-General, Sr Javier de Perez de Cuellar, in New York today,

and will later be going to Washington for talks with State Department officials, as part of his long-planned current visit to the U.S.

Although the Falklands issue would be raised during the talks and was also already under serious consideration in Buenos Aires yesterday, it is understood that the British response will not be treated in depth until after the Minister's return next weekend.

"The English took more than six weeks to respond to our last

proposals. We are not about to make our reply in 24 hours or to alter our agenda in New York," said a Foreign Ministry spokesman.

It is understood that Argentina would be willing to agree to early conversations with Britain if last Friday's proposal, received by Sr Caputo from the Swiss Ambassador just before he left for the U.S., does not specifically rule out the discussion of sovereignty in future negotiations as opposed to preliminary talks.

Britain responds to Argentine proposal

By Rodney Cowton

The British Government has replied to Argentine proposals for talks about the resumption of normal relations between the two countries.

A spokesman for the Foreign Office said yesterday the response had been conveyed to the Argentine Government through the Swiss. It is understood the reply was delivered either on Friday or on Saturday.

Britain believed it to be in the interests of both parties and the protecting powers that the details should be kept confidential. The Argentine Government has so far shared that view and we hope they will continue to do so, the spokesman said.

After the inauguration of Argentina's civilian Government, headed by President Alfonsín, last December, Britain sent specific ideas for the

restoration of bilateral relations on January 26.

On February 17, Argentina replied with what the British Foreign Office describes as "a number of serious and substantive points", and it is to these that Britain is now responding.

It is likely that the British response has been delayed by the feeling that it would have been inappropriate to have replied at the beginning of this month, at the time of the second anniversary of the British invasion of the Falkland Islands. Mrs Margaret Thatcher has repeatedly made it clear that she is not willing to negotiate on the sovereignty of the Falkland Islands. On March 15, she said it would be difficult to restore diplomatic relations until Argentina said that hostilities with Britain had permanently ceased.

The Times 9/4/84

The telegraph 9/4/84

BRITAIN REPLIES TO ARGENTINA

By Our Diplomatic Correspondent

After seven weeks Britain has answered Argentine proposals for improving relations between the countries. The reply went via Switzerland, which represents Britain in Buenos Aires, and no details were released.

The reasons for the British delay are largely tactical. By waiting until the emotions aroused by last week's second anniversary of the Falklands invasion had drained away, the Government may hope that it will be possible to negotiate on a more relaxed basis.

The Times 9/4/84

Falklands controversy revived

MP seeks Belgrano inquiry

By Rodney Cowton, Defence Correspondent

Mr Tam Dalyell, Labour MP for Linlithgow, called yesterday for a judicial inquiry into the sinking of the Argentine cruiser, the General Belgrano, during the Falklands conflict.

He did so after two accounts within the past few days of the circumstances leading up to the sinking of the Belgrano on Sunday, May 2, 1982. The first was contained in a letter from the Prime Minister to Mr Denzil Davies, Labour spokesman on defence.

The other, published in yesterday's *Sunday Telegraph*, came in an interview with Admiral of the Fleet Lord Lewin, who was Chief of the Defence Staff during the Argentine conflict.

Mr Dalyell has led a one-man campaign in Parliament for two years, arguing that the sinking of the Belgrano also sank hopes of achieving a diplomatic solution of the dispute.

In her letter, Mrs Margaret Thatcher said the British submarine HMS Conqueror was on patrol south of the Falkland Islands on April 30, 1982, when she detected an Argentine oiler auxiliary which was accompanying the Belgrano. The submarine sighted the Belgrano first on May 1 when the cruiser was accompanied by two destroyers.

She said it was on May 2 that Britain had indications about the movements of the Argentine fleet which led the task force commander to request and be granted a change in the rules of engagement to permit the Belgrano to be attacked outside the total exclusion zone.

In his interview, Lord Lewin said: "I was informed of Conqueror's signal, that she was in contact with the Belgrano at around 9 or 10 on the morning of Sunday, May 2". He also said it was highly unlikely that the Conqueror

had been in visual contact with the Belgrano for long enough to make deductions about the captain's probable intentions.

He told *The Times* yesterday that Argentine aircraft had attacked British ships on the previous day and he believed that the submarine, *Sante Fe*, which was captured at South Georgia, would have attacked British ships had she encountered them.

Lord Lewin said he had not been aware that Mrs Thatcher was writing to Mr Davies when he gave the interview, but when the substance of the letter was read to him he said he did not think anything he had said conflicted with it.

He said that because of the way submarines have to operate a considerable time may elapse between first detecting the presence of a surface vessel, which might be many miles off, and precisely locating and identifying it.

Why I was forced to resign



ALMOST FROM the moment he was appointed Secretary of State in 1981 Alexander Haig had detractors in the Administration. With his failure in the Falklands negotiations, they mounted a final—and successful—assault on his authority. Here, in the third extract from his forthcoming memoirs, General Haig shows how the relentless sniping of his enemies, as well as his disagreements with the President over foreign policy, left him with no choice but to resign his post.

The free world's debt to Britain

OVER the Falklands, the British demonstrated that a free people have not only kept a sinewy grip on the values they seem to take for granted, but are willing to fight for them, and to fight supremely well against considerable odds. The cost was great, but not as great as the cost of a miscalculation by Moscow should it forget these truths. The Falklands crisis was the most useful and timely reminder of the true character of the West in many years. Indeed, Britain's action in the Falklands may have marked an historic turning point in what has been a long and dangerous night of Western passivity.

The mixture of history, passion, miscalculation, national pride, and personal egotism that produced a "little" war that everyone knew was senseless and avoidable also contains the ingredients for a much larger conflict. It was by no means impossible that the fighting in the Falklands could have escalated into a general war. The tendency to be carried

away by the emotions of the moment is not peculiar to Argentina, and the tendency to underestimate the uncontrollable power of the emotions of a faraway people and the folly of their leaders is not confined to Britain.

If the Falklands war put us on our guard against these things, then we should be grateful. But we should remember, too, that, despite the fact that peace was possible, and the basis for peace was evident to everyone involved, war was the conscious choice of the Argentinian leaders and, therefore, the only resort of the British. In my last communication to the Argentine Government before the shooting started, I wrote, "There can be no greater tribute to leadership than the will to make a reasonable but hard decision." I was asking the Junta to abandon pride and embrace reason. I was not the first diplomat to be answered by an unyielding silence.

In the Falklands the West was given a great victory by Great Britain. I do not mean the defeat of Argentine soldiers by British soldiers. Every man who fell on either side represented a loss to the free world. British arms prevailed, but principle triumphed. The will of the West was tested and found to be equal to the task. The rule of law was upheld. The freedom of a faraway people was preserved.

For this, the free world may thank the men of the British Task Force and Mrs Thatcher, who was by far the strongest, the shrewdest, and the most clear-sighted player in the game. In times of acute national crisis a leader will always hear advice that clashes with his inner convictions. Easier courses than the right course will be thrust upon him. It is the leader who, knowing where the true interest of the nation lies, resists such counsel and perseveres in his principles who deserves the name of statesman. Margaret Thatcher belongs in that company.

As for me, my efforts in the Falklands ultimately cost me my job as Secretary of State. As I had forewarned my wife, the work I had done was perceived to be a failure, and those in the Administration who had been looking for an issue on which to bring me down recognised that I had given them one. Knowing that this would be so, I accepted the consequences when they came, very soon afterward. In my own mind, I regarded American diplomacy in the Falklands crisis as a success.

It is a matter of personal sorrow that we were not in the end able to prevent the shedding of blood, but on every other count we succeeded in acting with honour and in upholding the principles that we set out to defend.

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The tactics of my enemies

UNTIL the Argentines made their landing in April, 1982, I had been scheduled to accompany the President on his trip to the Caribbean for a summit meeting of regional Heads of State and Government. Summits always generate a lot of Press coverage, and for those members of the White House staff who think in such terms, media exposure for the President was the primary objective of the trip.

I agree that it was a very important objective. Those who work for Presidents understand that their chiefs are entitled to a clear field when they decide to go before the public.

Even after all my months in the trenches with the President's aides, therefore, I was startled to hear reports from the White House that I had undertaken the Falklands mission as a means of upstaging Ronald Reagan in his visits to Jamaica and Barbados. The White House term for my peace mission, I was told, was "grandstanding." This was a charge that might better have been levelled at Leopoldo Galtieri and his comrades in Argentina, but I saw no point in bringing this to the attention of the President's ruffled aides.

ON APRIL 10, the *New York Times* reported that I had refused to accept an aircraft from the White House fleet because it had no windows and had demanded a more luxurious aircraft. It is true that a KC-135, a cargo transport refitted for passenger use and one of several military versions of the Boeing 707, had been allocated for my use and that this aircraft has no windows. It is also true that I had asked that it be replaced, if possible, with a VC-137, another variation on the Boeing 707 that does have windows.

Windows, however, were not the issue. The issue was working space and communications. The VC-137, an aircraft traditionally used by the Secretary of State, is equipped with desks, typewriters, copying machines, and the most advanced communications gear. As my staff and I would be engaged in drafting and redrafting innumerable versions of a Falklands agreement and would require fast, secure communications in order to report to the President (who was staying in a private house on Barbados) and communicate with the parties to the dispute, this gear was indispensable.

I asked Bill Clark [Reagan's National Security Adviser] to make a change, thinking that this would be a routine matter. So far as I knew, nobody else in the Administration

was flying back and forth across the ocean trying to prevent a war. Clark told me that James Baker [a White House staff manager] was in charge of assigning aircraft and that he guarded the prerogative jealously. It was he who had chosen my plane, and only he could change the order. "Well, then," I said, "ask him to change it."

Evidently Baker hesitated to do so. It turned out that the only available VC-137 was being used by a congressional delegation headed by Representative Jim Wright of Texas. If I wanted the plane, Clarke said, I'd have to call Wright and ask him for it. I did so; Wright graciously swapped aircraft with me, and after adjusting to a schedule change that required a 3.00 am takeoff, I flew to London to talk to Mrs Thatcher.

That ought to have been an end to the matter, but one of my aides, offended by the newspaper item, made the fundamental mistake of complaining to the *New York Times*. "This is typical of the sort of sniping Secretary Haig has had to endure from the beginning of this Administration," he was quoted as saying, with a beguiling truthfulness that makes it easy for me to forgive him everything. He went on to say, with admirable loyalty but shaky judgment, that he believed the story had been "planted" by James Baker. This (like earlier suggestions that there was a "guerrilla" in the White House who was out to get me) implied that there was some sort of plot against me.

Because I took no reporters with me on the VC-137—there was simply no room for them, and besides, a mission that depended on secret diplomacy, with bloodshed as the alternative, could not be served by public relations—very little news about the negotiations emanated from me or my staff. This created a vacuum that was quickly filled by leakers and spokesmen and even an enterprising reporter or two.

Jack Anderson printed the transcript of an aircraft-to-ground conversation between President Reagan and me that had been intercepted by one of Anderson's myriad sources. CBS News reported (inaccurately) that the United States was giving satellite Intelligence to Argentina on the movements of the British fleet, one of many Intelligence-related stories that had no basis in fact but an aggravating impact on negotiations. (The only satellite pictures we gave either side, so far as I am aware, were Landsat pictures of the Argentine coast and the Falklands, which are unclassified and available for sale to any Government or person; both the British and the Argentines received these.)

ON APRIL 15, while I was en route to Buenos Aires with a British proposal that many believed might bring peace and, incidentally, success to my efforts, the term "grandstanding" found its way into print. Hedrick Smith reported in the *New York Times*:

Once again, White House aides are grumbling privately about Mr Haig's "grandstanding." Some say he has not only taken centre stage but "even stolen the limelight" from President Reagan by making an extended public statement this afternoon on the Falklands crisis after the President was cautioned by Mr Haig . . . to say almost nothing during a quick morning session with reporters. . . . "You can say Haig needs a win," a White House official agreed, asking not to be quoted [*sic*]. . . . He seems to be revelling in it. But if this one doesn't work out, I think it would be going too far to say he loses everything. . . ."

The intensity of the anonymous gossip reported in the Press in-

creased steadily. Shortly after my return, a lifelong friend who has never failed to tell me the truth, and who is in a position to know the truth, called to say that there had been a meeting in the White House at which my future had been discussed. "Haig is going to go, and go quickly," James Baker was quoted by my friend as saying, "and we are going to make it happen."

IN JUNE, 1982, aboard Air Force One en route to Paris, the first stop on a 10-day diplomatic visit to Europe, President Reagan broke his reading glasses. I loaned him an extra pair of my own, and he discovered that he could see perfectly well with them. "That proves it, Mr President—we have the same vision," I said. We laughed together over this mild joke, but by the time the trip was completed, I saw with final clarity that however similar our views might be on certain issues, we were hopelessly divided on other, vital questions, and the confident personal relationship that might have bridged this difference would always be denied to Reagan and me.

If agreement at Versailles [to discuss supporting the franc and limiting Western credits to Russia] was the goal of the President's trip to Europe, which also included a speech in London, a visit to Rome and Vatican City, a Nato summit in Bonn, and a visit to Berlin, it was not the most urgent issue before us. The Falklands war was entering its final stages as British troops prepared for full-scale landings in the islands. And, as the Presidential plane crossed the Atlantic on June 1, it appeared certain that Israel would invade Lebanon in a matter of hours, days, or weeks, touching off a dangerous and destructive war that had the potential of becoming a much wider conflict.

The handling of these problems during the trip was complicated by the fact that William Clark, in his capacity as National Security Adviser to the President, seemed to be conducting a second foreign policy, using separate channels of communication. In Washington George Bush's crisis management group went into session over the Lebanon situation and established communications with Clark, by-passing the State Department altogether.

Such a system was bound to produce confusion, and it soon did. There were conflicts over votes in the United Nations, differences over communications to Heads of State, mixed signals to the combatants in Lebanon. Some of these, in my judgment, represented a danger to the nation and put the President into the position of reversing decisions already made.

After several such rattling incidents, I asked Clark, who had been such an agreeable deputy to me in my early days at the State Department, what was going on. Clark, drained of his old good fellowship, gave me a cryptic answer: "You've won a lot of battles in this Administration, Al," he said, "but you'd better understand that from now on it's going to be the President's foreign policy."

I understood. In the few days since my last trip to Buenos Aires, my prediction to my wife that the Falklands might be my Waterloo had taken on the character of prophecy. With the collapse of the Falklands peace effort, my "image" had suffered. Detractors in the White House evidently sensed a new vulnerability and were mounting their final onslaught on my authority in foreign

affairs and on the President's confidence in my advice.

During the President's progress through Europe, it became plain that the effort to "write my character out of the script" was underway with a vengeance. As always, all roads led through the press. In an early, and telling, sign of quarantine, photographs were banned at my meeting with Prime Minister Zenko Suzuki of Japan. At official events in Europe, last-minute changes in seating and other curious breaches of protocol engineered by Baker, Deaver [Michael Deaver, a White House staff manager], and their apparatus thoroughly baffled our European hosts, many of whom had not previously had the experience of a guest, as it were, shuffling the place cards of the other guests.

Nevertheless, I continued to attempt to give the President counsel. The necessity to do so arose almost immediately after our arrival in Paris. In an essay into diplomacy - by - photo - opportunity, the President's assistants decided to ban cameras from his meeting with Mrs Thatcher. Evidently the White House feared the impact in Latin America if the Press carried pictures of Reagan and Thatcher meeting together. But the Press was bound to make much of a refusal by the President of the United States to be photographed with the British Prime Minister.

In recent days, such a large number of unofficial feelers had been sent out to the Argentines by officials of the Government that I had warned the President of the danger that the Junta, grasping at straws, might believe that the United States was so sympathetic to Argentina that it might prolong the war. To Clark, who listened with some impatience, I made this point anew, repeatedly, and with emphasis, adding that it was unheard of for Heads of Government to meet together without being photographed. The cameras were admitted.

As to the meeting itself, the advice that I wished to give the President—to seize the moment when British forces were close to victory and urge a policy of magnanimity upon Mrs Thatcher—had to be passed through Clark, who told me that Reagan "was not going to be assertive with Mrs Thatcher or ask her any unpresidential questions."

The issue of Presidential assertiveness on the question of the Falklands arose again at a working luncheon given at the Elysée Palace by President Mitterrand. The French leader was visibly disappointed when Reagan would respond only with generalities to his questions about United States support for the British in the Falklands. Reagan avoided specific answers to other French probings as well.

Was Reagan misinformed?

ON JUNE 11, after the long, eventful trip through Europe and the plane ride home into another time zone, we were all tired. The President went to Camp David for the weekend. The Lebanon war was raging, but it appeared possible, if we acted quickly, to achieve a ceasefire, to prevent a further widening of the conflict, and to begin the political process that was necessary if Lebanon was to emerge from this shambles as a sovereign State once again. Philip Habib [United States special envoy] shuttling between Damascus, Tel Aviv and Beirut, urgently needed new instructions.

On arrival at the State Department, I called Clark and told him that I would draft Habib's instructions and send them over for the President's approval. Because of the vital importance of these instructions, which would announce basic United States' policy for the crisis, I meant to give them careful thought; even working with the staff at full speed, the task could not be completed before the following afternoon. Neither Clark nor I liked to disturb the President on a weekend after his exhausting trip, but Habib's need was so urgent and the instructions were so significant that the President had to see them before they were sent. On this much, Clark and I agreed.

The instructions were ready by early evening of the following day, Saturday, June 12, and listed what subsequently became United States policy: withdrawal of all foreign forces; a strengthened central Government for Lebanon; arrangements to preclude further attacks on Israel's northern border. As soon as it was complete, I sent the one-page draft over to Clark at the White House.

Over the phone, Clark told me that he would immediately "Datafax" the paper to Camp David—meaning that it would be sent to the President through an elec-

tronic device that instantaneously transmits facsimiles of entire documents. At about 7.30 pm, Clark phoned me and reported that the President had seen the draft instructions but had not approved them, judging that the issues were of such import that Reagan wanted to clear them at a formal National Security Council meeting the following Monday. Because Habib was to leave for Damascus and Beirut in a few hours and would need the instructions to carry out his mission, I told Clark that we must have a decision immediately.

IT HARDLY seemed possible to me that the President really meant to delay for two days, inasmuch as the point at issue involved a war that was daily claiming hundreds of lives. Clark assured me that this was, in fact, the President's decision. Astonished, I phoned Reagan at Camp David and explained that Habib was already en route to Damascus to keep an appointment with Syrian President Hafez al Assad, and was committed to return to Beirut with the results of his conversations there and in Jerusalem; he simply could not wait until Monday. Reagan heard me out, but when he responded I detected a note of puzzlement in his relaxed and amiable voice. He knew nothing about the instructions to Habib, and I gained the impression that he had not even received them.

Tired, and more than a little disillusioned, I explained once more the urgency and danger of the situation. There was nothing in the instructions, I reiterated, that departed constantly from the positions prepared for him during the several meetings of the crisis management team while we were in Europe. Reagan remained detached, friendly, and still clearly a bit puzzled by my call. "That's all right, Al, don't worry," Reagan said at last. I hung up the telephone and sent Habib his instructions without the President's formal approval.

I immediately tried to call Clark to inform him that I had sent Habib's instructions on my own authority, but was informed that he had retired for the night. The next morning, Clark, with vexation in his voice, told me that he would have to report my actions to the President. I invited him to do so and asked for an appointment with the President on Monday morning. I felt that the end had come.

When we met on Monday in the Oval Office, Reagan was in a troubled mood, his usually sunny countenance drawn into a worried frown. Even before we sat down, he brought up the matter of Habib's instructions. Clearly he was disturbed by my action. "Al, what would you do if you were a general and one of your lower commanders went around and acted on his own?" he asked.

"I'd fire him, Mr President," I replied.

"No, no. I didn't mean that," Reagan said. "But this mustn't happen again. We just can't have a situation where you send messages on your own that are a matter for my decision."

The President gave no indication that he disagreed with the policy embodied in Habib's instructions or understood their urgency.

I RELATED the details of my encounter with Clark and recalled the conversation Reagan and I had had over the telephone the previous Saturday. I recounted the episodes of the trip to Europe and told Reagan that I believed that the cease-fire he had proposed in Lebanon had been delayed, and loss of life had needlessly continued, as a result of the petty manoeuvring by his staff. As he listened to the details, the President's frown deepened.

"Mr President, I want you to understand what's going on around you," I said. "I simply can no longer operate in this atmosphere. It's too dangerous. It doesn't serve your purposes; it doesn't serve the American people."

Then I told the President that while I could not desert him and the country in the middle of a crisis, under the present arrangements I could not continue as his Secretary of State nor could his policies survive for four years. If the President could not make the necessary changes to restore unity and coherence to his foreign policy, then it would be in the country's interest to have another Secretary. I suggested that the best time

for my departure would be after the mid-term elections in November, so as to minimise the political impact of a Cabinet resignation.

Reagan listened intently to my words, but did not react. His aides were waiting outside his door. His expression was set; he said nothing. I took my leave in silence.

Days passed; I awaited the President's reply. Weeks earlier it had been arranged that Andrei Gromyko and I would meet in New York on June 18 and 19. Knowing that I would not be able to attend, Clark then scheduled a meeting of the NSC to consider the question of [the trans-Siberian] pipeline sanctions. As my deputy, Walt Stoessel, was also unavailable, Larry Eagleburger represented the State Department. Determined that the historical record would show that the State Department had fought for a rational course of policy, I instructed Eagleburger to oppose the extension of sanctions to overseas manufacturers. Eagleburger did so, but when the moment for decision came, Clark placed only the strongest option paper before Reagan, who

uncharacteristically approved it on the spot.

I had told Eagleburger to insist that announcement of the decision to the Press be delayed until we had had time to notify our allies that it had been taken. Inasmuch as sanctions were directed primarily against the Soviet Union, the President's decision was a matter of no small interest to Gromyko. At our Friday session, I did not raise the pipeline with Gromyko; though I foresaw the outcome of the NSC meeting, it would have been wrong to tell the Soviets of such an action before telling our allies and before the decision had been formalised.

I trusted that the decision would not be announced before the flash cables Eagleburger would send to our allies had been delivered. I planned to inform Dobrynin, the Soviet ambassador, in the normal way on Saturday, but when I returned to the hotel, Eagleburger informed me despite his cautions, Clark had already informed the Press.

Next day, Gromyko confronted me angrily, suggesting that I had either withheld the truth from him or did not speak for the United

General Haig wishes to correct certain statements that he made in last week's extract from his forthcoming memoirs. It was on May 2, not May 4, that an official of the Peruvian Foreign Ministry was sent to Buenos Aires with the new draft proposals for peace in the Falklands. The Captain of HMS Conqueror who sank the Belgrano was acting on rules of engagement issued before (not "long before") and deemed that the Belgrano, which was believed to be equipped with Exocet missiles (not "equipped with"), was steaming in a threatening manner. The British destroyer Sheffield was set on fire two days (not three) after the Junta rejected the new peace plan.

Weidenfeld & Nicolson will be issuing these corrections as an errata slip when Alexander Haig's "CAVEAT: Realism, Reagan and Foreign Policy" is published on April 30, at £12.95.

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Thatcher and Reagan, Paris, 1982: the President's assistants tried to stop pictures being taken of the two leaders together

States Government. "Mr Foreign Minister." I replied in my weariness, "I'm afraid it is the latter."

ON THURSDAY, June 24, Clark told me that the President wanted to see me. The lack of warmth that had characterised Reagan's behaviour during our last meeting had vanished. In its place, as we greeted each other in the Oval Office, was a mixture of apprehension and what seemed to me to be almost fatherly concern. I asked the President if he

had thought over what I had said to him on June 14.

"Yes, I have," he said. "You know, Al, it's awfully hard for me to give you what you're asking for."

In preparation for this meeting a member of my staff had drawn up a bill of particulars, listing the occasions over the past weeks on which the cacophony of voices from the Administration and the seeming incoherence of American foreign policy had created dangerous uncertainties. To this I had added a second memo-

random, detailing a similar story of mixed signals during the Falklands crisis. These documents, though more forthright in tone than communications to Presidents usually are, had the virtue of being accurate reflections of the frustrations produced by these events. I handed the papers to Reagan. He glanced at them.

"I'm going to keep this, Al," he said. "This situation is very disturbing."

"It has been very disturbing from the first Mr President," I replied. "If it can't

be straightened out, then surely you would be better served by another Secretary of State."

The President made no reply. It may have been that he was still struggling with his decision.

Next day I was asked to step into the Oval Office to see the President. He was standing at his desk as I entered. "On that matter we discussed yesterday, Al," he said. "I have reached a conclusion."

He then handed me an unsealed envelope. I opened it and read the single typed page it contained. "Dear Al," it began. "It is with the most profound regret that I accept your letter of resignation."

The President was accepting a letter of resignation that I had not submitted. . . .

I asked him for two hours in which to draft an appropriate letter of resignation and deliver it to him before the matter became public.

While I was still at work on this letter, the President appeared in the White House briefing room and announced that I had resigned as Secretary of State. Then he boarded a helicopter and flew to Camp David.

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NEXT: What really happened when Reagan was shot: Caspar Weinberger's gaffe over neutron bomb: Clash over Iran hostage pact.

TKC

Lewin: Why Belgrano had to be sunk

By R. H. GREENFIELD, Defence Correspondent

THE sinking of the Argentine cruiser General Belgrano during the Falklands war was fully justified, and was sanctioned without the knowledge that a new peace initiative was under way, Admiral of the Fleet Lord Lewin, head of Britain's armed services during the conflict, told me in an exclusive interview.

Lord Lewin, former Chief of the Defence Staff, spoke to me last week at his home on the Suffolk coast, where he now lives in retirement.

His account of the circumstances surrounding the action, coupled with the account by General Alexander Haig, whose memoirs are being serialised in *The Sunday Telegraph*, sheds clear light on the incident widely regarded as the watershed of the whole conflict.

The Belgrano was sunk by torpedoes from the British nuclear submarine Conqueror, with the loss of 368 lives, a short distance south of the 200-mile exclusion zone which Britain had declared around the Falklands.

At the same time President Belaunde Terry, of Peru, was attempting to put together a last-ditch settlement between Britain and Argentina, following the failure of mediation efforts by the United States. The sinking—the first big loss of life in the conflict—is considered by many to have marked the end of any real prospect of averting all-out fighting.

Lord Lewin denied suggestions that:

- He had known of Belgrano's position and movements for many hours before the decision was taken to sink her;
- The British knew of the Peruvian peace initiative when the order was given;
- The British were decyphering all Argentine signals as they were transmitted, or were aware of any signal ordering the Argentine fleet back to port;
- The Belgrano posed no threat to the Task Force, or could safely have been shadowed by the Conqueror while the British waited to see whether an attack on the Task Force was being mounted;
- The Argentines were merely "shadow-boxing" until the sinking of the Bel-



Lord Lewin

grano made serious fighting inevitable.

In discussing the Peruvian peace initiative, Lord Lewin referred to the five-hour time lag between Greenwich Mean Time and the time in Washington and Lima, and to General Haig's disclosure that he spent much of that day on the telephone, discussing with President Terry what basis there might be for a further peace attempt.

This, he considered, put beyond any dispute the Government's assertion that the Peruvian peace proposals were not received in London until some hours after the Belgrano was sunk.

Lord Lewin also denied that the British were getting a full satellite picture of Argentine naval movements and reading all their signals. Satellites were positioned to watch the Russians, not the Argentines, he said, and the interception and decyphering of signals was a lengthy as well as uncertain process.

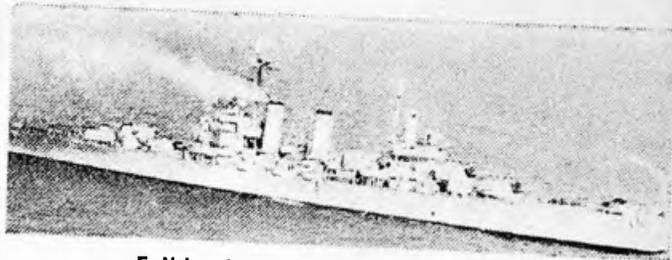
"On that day all we knew from the volume of radio traffic was that a substantial number of Argentine warships were at sea, and appeared to be making a pincer movement on the Task Force from north and south," Lord Lewin said.

"I was informed of the Conqueror's signal, that she was in contact with the Belgrano, at around 9 or 10 on

Continued on Back Page, Col 4

Continued from Page One

New light on Belgrano



Falklands casualty: The Belgrano

the morning of Sunday, May 2, and according to my recollection that signal reported the Belgrano heading towards the Task Force.

"At the War Cabinet meeting at Chequers that morning we requested, and were quickly given, a change in the scipal Rules of Engagement for our nuclear submarines, so that the Conqueror could make an attack, and the order was at once telephoned to Headquarters at Northwood."

But, whatever the cruiser's heading, Lord Lewin insisted that the Belgrano constituted a potential threat to the Task Force.

"It is admitted that she was being used to direct aircraft, which had scored near misses on Task Force ships only the day before. Furthermore, she would have been a threat to ships moving back in to bombard Argentine positions on the islands.

"Her course at the time of the attack is irrelevant; her captain could have been engaged in prudent anti-submarine precautions, or "wasting time" until nightfall, ready for a dash north across the Burdwood Bank."

It was highly unlikely, Lord Lewin went on, that the Conqueror had been in visual contact with the Belgrano for long enough to make deductions about her captain's probable intentions. Once Belgrano and her escort had been detected on sonar the Conqueror would have had to send many hours in a painstaking "sonar stalk" before the target was located and identified.

Lord Lewin also considered it absurd to suggest that the Belgrano was too decrepit to constitute a threat; her escorts carried Exocets, and as the United States Navy's Phoenix she herself had used her 15 six-inch guns during World War II to sink a Japanese battleship in 27 minutes.

Furthermore she was capable of a speed of 30 knots (not 18, as has been stated); had she gone north over the Burdwood Bank, through shallow waters charted only for surface ships, the captain of the Conqueror could not possibly have risked following her.

If he had not attacked as soon as he had clearance he could

all too easily have lost contact with his target, as one of his sister-ships had already lost contact with the Argentine carrier the Veinticinco de Mayo to the north of the Falklands.

The fact that the Belgrano was 36 miles outside the exclusion zone was irrelevant, said Lord Lewin. That zone was established to form the equivalent of a blockade round the Falklands in regard to other nations; the Argentines had been made fully aware that their warships would be attacked wherever their deployment could be construed as hostile.

Finally, Lord Lewin dismissed the claim that the sinking of the Belgrano initiated the "real" fighting. He points out that the Argentine invaders had savagely attacked the Royal Marine barracks at Stanley when they landed, and only the prior deployment of the troops had prevented heavy casualties.

Britain had already seized back South Georgia and bombed Stanley airfield, and only the day before the Argentine air force had pressed home a determined attack by bombs and strafing, on the Task Force ships the Glamorgan, the Arrow and the Alacrity.

Argentina began the fighting by invading the Falklands, and had just come within an ace of sinking two or three British warships.

"Why," Lord Lewin asked, "should anyone complain when we next day successfully attacked and sank one of theirs?"

'Panorama' to quiz Haig

Sunday Telegraph Reporter

General Alexander Haig is to give a British television interview on Monday, April 16, about the events that led up to the controversial sinking of the Belgrano, the 11,000-ton Argentine cruiser.

The BBC is to devote the whole of its "Panorama" programme to a re-examination of the incident and the sinking of the 3,500-ton British destroyer, Sheffield.

Argentina's appetite

SIR—We should not forget that almost exactly two years ago Argentina invaded and captured South Georgia. So what precisely do we offer Argentina in any talks about the Falklands' future? More to the point, what can we expect them to offer us?

Let not any British Government underestimate Argentina's appetite. "Islas Malvinas" is merely her main course. For dessert—South Georgia. For savoury—the South Sandwich Islands (South Orkney, South Shetland, and Graham Land, once grouped under the Falkland Islands Dependencies in 1908). For *petit fours*—Southern Thule, and when possible, as much of Antarctica as she can swallow.

Britain must first insist upon one precondition before talks are agreed. Argentina must renounce all claims to South Georgia, Sandwich, Orkney, Shetland, Thule and Graham Land in a clear and totally committed binding contract, which is lodged with the United Nations. If this is not done, the long term consequences could be disastrous for Britain and the West.

ANTHONY MEYER
London, W.8.

Telegraph
7/4/84

Falkland talks

Britain will this week agree formally to talks with Argentina on the Falklands but will make it clear it is not prepared to negotiate on sovereignty.

Sunday Observer
8/4/84

Fuller explanation of Belgrano sinking

By Our Political Staff

MRS THATCHER has given the most detailed account yet of why she ordered the sinking of the Argentine cruiser Belgrano, by a British submarine two years ago.

In a letter to Mr Denzil Davies, Labour's defence spokesman, she explains that she can now go further in her explanation than before "as, with the passage of time, those events have lost some of their original operational significance."

Critics of Mrs Thatcher have claimed that by authorising the sinking of the Belgrano she effectively undermined the Peruvian peace proposals which could have prevented the war.

Mrs Thatcher says that the British submarine Conqueror was on patrol south of the Falklands on April 30 when she detected an Argentine oiler auxiliary, which was accompanying the Belgrano.

The Conqueror sighted the Belgrano first on May 1 when the cruiser was accompanied by two Exocet-armed destroyers.

Essential point

Mrs Thatcher went on: "The essential point is that it was on May 2 that we had indications about the movements of the Argentine fleet which led to the task force commander, Adm Woodward, to request a change in the rules of engagement to permit the Belgrano to be attacked outside the total exclusion zone."

Ministers agreed to the change of rules of engagement at about 1 p.m. London time on May 2.

Orders were sent immediately to the Conqueror, which attacked the Belgrano at 8 p.m. London time. Because of indications that the Belgrano posed a threat to the task force her precise position and course at the time she was sunk were "irrelevant."

Mrs Thatcher stated that the first indications of possible Peruvian peace proposals reached London from Washington at 11.15 p.m. London time and from Lima at 2 a.m. London time on May 3.

Throughout her letter Mrs Thatcher emphasised how conscious she was at the time of the risk to British Servicemen from Argentine attacks.

Her letter is the fullest reply yet to the allegation by Labour MPs that the sinking was intended to sabotage peace hopes and that the ship was heading away from the exclusion zone at the time it was torpedoed.

Telegraph
7/4/84

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Flag day for Argentina



Do not fly any flags to celebrate the accounting device by which Argentina is being lent \$400m of new foreign money so that it can pay the \$500m of interest long overdue on its old debts. This Houdini escape has nothing to do with the economic reforms required to pull so much of Latin America back from the cliff edge, and everything to do with the eccentric accounting rules of bank regulators in the United States. American banks would have had to record a substantial fall in their profits for the first quarter of 1984 if Argentina had not paid off enough of its interest arrears by March 31st to allow the banks to continue to list the loans on their books as "performing" ones. So the banks handed Argentina \$100m to hand back to them, and persuaded the American treasury and four Latin American countries (all themselves in hock) to put up another \$300m.

Before arranging this nonsense, the banks insisted they would stand absolutely firm on making no concessions, and if necessary would declare Argentina's loans non-performing, unless and until Argentina came to terms with the International Monetary Fund. In saying this and not meaning it, the banks have stored up trouble for themselves. Their eleventh-hour wriggle has demonstrated publicly to every other debtor country that negotiating against a 90-day deadline will wring better terms out of the American banks and the American treasury.

That this probably means many more last-minute haggles between debtor countries and their creditors ought to worry the bankers. It need not greatly worry anybody else. If the banks are forced in this haggling to concede a smaller margin over the cost of their funds on rescheduled debts they will not go bust, and they should stop pretending to the American treasury that they will.

How to make Argentina safe for democracy

The source of Argentina's present problems is uncontrolled and wasteful public spending by a succession of dreadful military governments—a waste which in one respect, by his promise to raise real wages in the public sector, President Alfonsin is electorally committed to make worse. Under the military governments, a wide range of state enterprises, many of them run directly by top and often corrupt soldiers, routinely ignored their budgets and pushed ahead with projects that nobody wanted but themselves. Road bridges were built with

no traffic to cross them; nuclear reactors constructed when electricity generating capacity already exceeded demand; petrochemical plants completed before there was any use for their products. The top brass indulged their taste for new military toys ever more grossly. Known defence expenditures doubled their share of government spending between 1976 and 1982, and unknown defence expenditure went up by much more.

This spending did nothing to raise Argentina's economic growth, which languished at under 2% a year even in the boomtime second half of the 1970s, when Brazil and Mexico were growing by three times as much. Then, when the world recession struck, Argentina tried to inflate its way out of it by a combination of borrowing abroad and running the printing presses at home. This spree ended with a sharp fall in real income, the lost Falklands war and an inflation rate now nudging 20% a month.

What President Alfonsin should do is clear enough. The budget deficit must be reduced, the money supply brought under control, interest rates raised and the improving trade balance given a further boost by a devaluation. The gap between the official peso rate of 32 to the dollar and the unofficial rate of over 50 to the dollar last week was still bringing the sort of capital outflows which have drained \$1.5 billion from Argentina's reserves in each of the past two years. Exporters are once again under-invoicing their goods and hoarding the difference in foreign bank accounts.

As two thirds of public spending is swallowed by wages and pensions, a reduction in state-paid employment or real wages in the public sector is necessary to bring the budget deficit under control. Unfortunately President Alfonsin on the hustings, like Mrs Thatcher when accepting the Clegg awards in 1979, most specifically promised to put them up. He is sensibly backing away from that promise now, but he will have to do much more if he is to keep his promise to the IMF to cut the budget deficit to 8% of gross domestic product, down from its recent 12-16%. He should concentrate on four things.

First, he needs to cut defence expenditure by at least a third—the smaller the army, the smaller the danger of a counter-coup against himself. Second, he should take an axe to all of the military government's most ridiculous civilian projects. He should override his influential

energy minister, Mr Conrado Storani, and insist that both the atomic energy programme and the hydroelectric programme at Yacyreta be put in mothballs, at a saving of up to \$2 billion this year. He should cut the subsidy on petrol and put taxes up by more than he has already bravely done.

Third, he should harden his still too vague commitment to privatise parts of the overmanned public sector. Some of the companies the government owns were terminally ill when it acquired them and will find no takers. Put them out of their misery. The sale of others should give Argentina a chance to persuade foreign creditors to turn debt into equity.

Fourth, President Alfonsin seems to hope that an incomes policy may be an alternative to the sort of fiscal severity that has pushed unemployment in Chile up to 25%. The history of incomes policies in Latin America is so awful that he would be unwise to count on it being more than a supplement to a squeeze. A sceptical IMF certainly will not. In particular, he should resist the temptation to try to freeze wages. After years of controls, wage structures are so warped that a government under-secretary now earns less than a basic-grade civil servant. Smaller incomes for the most talented and hard-working make no sense at all, though it will take political courage to say this when everybody else is having to make sacrifices, and when the president's task

of introducing democracy into the Peronist trade unions makes Mrs Thatcher's job of democratising Mr Arthur Scargill look as easy as eating Yorkshire pudding.

If the Argentine government has these four points in the forefront of its mind in plotting the country's economic comeback, the banks should concede the \$3 billion or more in fresh funding, plus the complete rescheduling of principal payments, which Argentina needs this year. For, as a food exporter self-sufficient in energy, Argentina remains a country with a fundamentally strong economy. Because of the world economic recovery its balance of trade is anyway now looking up, and the central bank is struggling respectably to bring money supply under control. Argentina in 1929 was the seventh or eighth richest country in the world in terms of things like car ownership. It has slid back temporarily to third-world status since then mainly because soldiers who intermittently thought they were populists have provided it with the grossest economic mismanagement. President Alfonsin should not see himself as a populist, but as a man seeking to put 55 years of incompetent demagoguery into reverse. He would thereby make his country much safer for democracy, and light the beacon which Latin America needs. The American treasury and the banks will not have helped him if last weekend they made him think that he can fudge this task.

The Democrats' donkey



Does New York spell victory for Reagan?

Big Apple gives bum's rush to Democrats? It is possible that Tuesday's primary election in New York, in which Mr Walter Mondale trounced Mr Gary Hart, may turn out to be a turning-point for the Democratic party. It now looks as though Mr Mondale will win his party's nomination for the presidency and go down to a famous defeat in November.

Head and heart say different things about American politics this year. Both should be cautious, having both been dramatically contradicted by events since New Hampshire voted on February 28th; they are not, however. Head now says that Mr Reagan won in 1980 by capturing the support of enough trade unionists, Democrats, old people, southerners, working men, Jews and Roman Catholics to give him 50.7% of the popular vote. There are many more Democrats in America than Republicans, however, and many of Mr Reagan's policies have been divisive. In the congressional elections in 1982 lots of those who had defected two years earlier clearly returned to the Democratic fold. Even with a stronger economy, that is the logical place for most of them this year, where their numbers should be swelled by a majority of the extra 10m people who have come of voting age since 1980. Thus the Democratic nominee, unless he makes a hash of it, should win in November.

To this, heart says bunkum. Reagan is a winner, Mondale, notwithstanding his late recovery, a loser. And head, hesitantly, has to pay attention. Mr Reagan is indeed a formidable, cheery president who looks more than a match, particularly in the south and west, for unexciting Mr Mondale. If the Democrats can carry the south, which they only narrowly lost in 1980, they have a chance, particularly if they take Texas. But Mr Mondale will be lucky to take Georgia.

Can old clothes attract?

He has, it is true, been toughened by the primary fight, though it is doubtful whether his appeal has been widened. As for Mr Hart, the primaries have shown him to be not much more than a loofah—abrasive but without much solidity. Even so, Mr Hart has always looked more threatening to Mr Reagan than has Mr Mondale. This partly reflects his public image of vigour and freshness, partly a sense that he understands better than Mr Mondale that the Democratic party has to adapt to new realities. New York's Democrats have not been impressed by this, perhaps because they have not cared for Mr Hart's campaign, perhaps because they like the Democratic party the way it is. They may feel differently after November. So may we, if American politics makes fools of us all again.



The Guardian 6/4/84

Thatcher admits omissions on Belgrano

By Richard Norton-Taylor

Mrs Thatcher has revealed that official accounts given to the Commons of the sighting of the Argentinian cruiser, the Belgrano, by the submarine, HMS Conqueror, during the Falklands war were incomplete.

In a letter to Mr Denzil Davies, Labour's defence spokesman, who asked a series of questions a month ago about the controversy surrounding the sinking of the Belgrano, she acknowledges that the Conqueror detected an Argentinian oiler accompanying the Belgrano on April 30 — two days before the cruiser was torpedoed.

On May 1, she adds, the submarine sighted the Belgrano

for the first time when it was accompanied by two destroyers armed with Exocet missiles.

Mrs Thatcher says that the white paper on the Falklands war — which records that the Conqueror detected the Belgrano on May 2 "was not intended to say when the cruiser was first located."

Her letter conflicts with the account in a new book by Mr Alexander Haig — then US Secretary of State — of the chronology leading up to the attack of the Belgrano.

Mrs Thatcher says that her comments "go further than we have been prepared to do hitherto." She adds: "I have only felt able to do this now as, with the passage of time, those events have lost some of their

original operational significance."

Mrs Thatcher says that on May 2 the task force commander, Admiral Sandy Woodward, had "indications" that the Argentinian fleet was attempting a pincer movement from outside the total exclusion zone against the British ships. That led him to request a change in the rules of engagement.

The war cabinet agreed to the change at about 1 pm, London time, on May 2 and the Conqueror attacked the cruiser seven hours later.

Referring to previous answers by the Ministry of Defence which confirmed that the cruiser was steaming towards her home port of Uschaia, she

told Mr Davies: "Because of the indications that the Belgrano posed a threat to the task force her precise position and course at the time she was sunk were irrelevant."

The Prime Minister says that the first indication of Peruvian peace proposals reached London from Washington at 11.15 pm London time (May 2), and from Lima, at 2 am on May 3. Mr Haig, in his account, says that the peace plan, "gained acceptance in principle from both parties before the Belgrano was sunk."

Mr Tam Dalyell, Labour MP for Linlithgow, yesterday wrote to the Prime Minister, insisting that a number of serious questions remained unanswered.

Son brings daffodils to remember Falklands victim



The Times 6/4/84

A boy aged five clutched a bunch of daffodils as he waited with his mother yesterday for the unveiling of a memorial to seafaring men killed in the Falklands.

Then Mrs Christine Robinson-Moltke, showed her son, Michael, the name on the memorial of his father, Glen, who, as a lieutenant-commander, was the most senior Naval man to die in the conflict.

Mrs Robinson-Moltke, of Petersfield, Hampshire, said: "Michael remembers everything about his father. He knows he died in the Falklands war. He's terribly proud."

The memorial to 130 seafaring men was unveiled at Old Portsmouth.

The inscription reads: "This memorial is dedicated to the members of the Royal Navy, the Royal Marines, the Royal Fleet Auxiliary and Merchant Navy, whose names are recorded here. They gave their lives in the service of this country and for the defence of freedom, in the Falklands Islands and the South Atlantic 1982."

Photograph: Brian Harris

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Haig accused by Costa Mendez of 'gross mistakes'

The Telegraph
6/4/84

By CRISTINA BONASEGNA in Buenos Aires

ARGININA'S former Foreign Minister, Senor Nicanor Costa Mendez, has accused the former American Secretary of State, Mr Alexander Haig, of making "very gross mistakes" in his memoirs.

The memoirs are being serialised by THE SUNDAY TELEGRAPH.

Referring to Mr Haig's comment about his mediation in April, 1982, to avert the war between Britain and Argentina, Senor Costa Mendez told THE DAILY TELEGRAPH in an interview this week:

"I get the impression that Mr Haig didn't check his notes."

'Open line'

Senor Costa Mendez said that Mr Haig, in his memoirs, stated that after the failure of his mediation attempt and his announcement on April 30 of United States support for Britain in the conflict, he spent the whole of the following Sunday working on an open line with President Fernando Belaunde Terry of Peru on a new peace proposal.

"This can't be so because that Sunday was May 2 and Belaunde phoned former President Leopoldo Galtieri at 1.30 a.m. on May 2 to present him with the final version of the five-point peace proposal," Senor Costa Mendez said.

He also said that Mr Haig joined the events that took place on March 30 and April 1 on one single day, March 31.

"The meeting between Galtieri and United States Ambassador to Buenos Aires Harry Shlaudeman, for example, was not held on Wednesday, March 31, as Haig claims, but on April 1 at 6.30 p.m. Argentine time, just moments before the occupation of the (Falkland) islands," Senor Costa Mendez went on.

"Everything would have been different if the meeting had been held on the day before."

Senor Costa Mendez is now putting the final touches to his own book of memoirs, which is due to be published in Buenos Aires next month.

The book is to include personal letters and transcribed telephone conversations and interviews with key figures in the negotiations to find a settlement to the Falklands conflict. He is to seek Foreign



Senor Costa Mendez —
accuses Mr Haig.

Ministry permission to publish State documents as well.

According to Senor Costa Mendez one of the letters, dated April 21, and signed by Mr Haig, assured Senor Costa Mendez that the April 19 proposal drafted in Buenos Aires still remained the framework for negotiations and that Mr Haig and Mr Pym, the then Foreign Secretary, would stick to it when they met in Washington on April 25.

"In his memoirs Haig describes the proposal as a token of bad faith," Senor Costa Mendez said.

The proposal was rejected on April 27, thus putting an end to Mr Haig's mediation.

Senor Costa Mendez also cast doubt on the fact that Mrs Thatcher was unaware of an imminent acceptance by Argentina of the Belaunde peace proposal when she ordered the sinking of the Argentine cruiser General Belgrano on May 2.

He said that after discussing the proposal all morning Gen. Galtieri told President Belaunde at 5.50 GMT that it had been accepted in principle. The Peruvian leader then passed the message to Mr Haig, who was at a meeting with Mr Pym in Washington (12.50 p.m. Washington time).

"I can't believe Pym did not brief Mrs Thatcher on that point immediately and that HMS Conqueror did not seek confirmation of a standing order to sink the General Belgrano before torpedoing it at 7 GMT," the former Argentine Foreign Minister added.

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Falklands future

From Mr Julian Amery, MP for Brighton Pavilion (Conservative)

Sir. My friend and colleague, Mr George Walden (feature, March 31), is quite right to attribute a "sense of disproportion" to some elements of public opinion about the future of the Falkland Islands. This was evident in at least two of the so-called "heavy" Sunday papers at the weekend.

It is easy enough to question whether the principle of self-determination justifies an expenditure of £1m per inhabitant, but his analysis does not go to the heart of the matter.

Argentina has been defeated in war and is virtually bankrupt. In victory magnanimity? Of course, but Sir Winston Churchill never included the surrender of British interests in his concept of magnanimity. What he meant was to take Germany by the hand and lead her back into the community of nations.

There are two ways in which we could do this where Argentina is concerned. The first, and we are already doing this, is to help her with her problem of indebtedness

even though she has not formally ended hostilities against us. The second is to find areas where we could work together.

The real justification of present plans to develop the Falklands lies in the growing importance of the South Atlantic and the opportunity to develop the resources of the Antarctic along with Chile, Argentina, New Zealand and Australia, all of whom have claims on that continent. Other countries will also be interested. The exploitation of wealth beneath the permafrost presents a challenge but scarcely more than putting a man on the moon.

The Falklands presents no parallel with Hongkong. Military factors apart, the weakness of our position in Hongkong derives from the fact that the New Territories are already on a lease which runs out in 1997.

Advocates of a lease-back solution for the Falklands could well wake up to find that our lease was running out just when the exploitation of the Antarctic was becoming profitable.

Yours faithfully,
JULIAN AMERY,
112 Eaton Square, SW1.
April 2.

BARRY FANTONI



'Just as well - he's our nearest thing to an historical monument'

The Telegraph 5/4/84

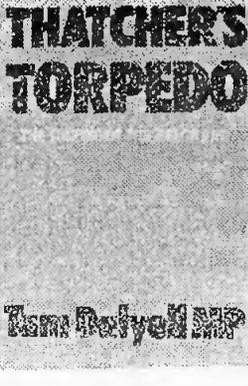
STEEL CRIES OFF ARGENTINA

By Our Political Staff

Mr Steel, the Liberal leader, has called off plans to visit Argentina later this month because of the extreme delicacy of relations between London and Buenos Aires at present.

A response through the Swiss embassy to Argentina's offer of talks with Britain is expected in the next few days.

These British accounts of the Falklands war are best-sellers in Buenos Aires but we still cannot read their side. Alan Franks reports on a campaign to lift the import ban on Argentine books



The war of words goes on, but now it's one-way

Britain's reluctance to trade words (the printed kind) with Argentina two years after the Falklands conflict is proving a source of frustration and embarrassment to British publishers and booksellers. It is now acquiring a new irony in the light of the fact that Buenos Aires publishers are doing a brisk trade in translations of British books on the subject.

Figures coming from the Argentine capital suggest that the account by *The Sunday Times* Insight team has proved the most popular, selling 35,000 within hours of publication, and now topping the 50,000 mark. *The Sunday Express* pictorial chronicle is to appear this month, with an initial print run of 30,000. The publishers say these books are not being snapped up solely by Anglo-Argentines and British residents.

"People are now very interested in the British position", a spokesman for one of the publishers, Hyspamerica, says. "We know that your position and ours are very different, but, especially since the elections here, we want to find out what you think. Many Argentines believe that what their country did two years ago was the illegal action of an illegal government in a just cause. We should like very much to publish more books about the Malvinas by your writers."

Hyspamerica is now printing three more books which are, to say the least, rather hostile to the British position, while not condoning the Argentine invasion. They are Anthony Barnett's *Iron Britannia*, a study of the political roots from which grew Britain's response to the crisis, and two chilling salvoes against the British government and its leadership, Tam Dalyell's *One Man's Falklands* and *Thatcher's Torpedo*. Together with Lieutenant David Tinker's posthumous *A Message From The Falklands*, published in Buenos Aires by Emecce, they form part of a broad spectrum of British opinion on the conflict which is beginning to appear in Argentina.

To set a reciprocal tide in motion here, publishers are aware that they might be flouting the law even by purchasing English rights from Argentine houses, and the possibility

is being examined of working through Spanish intermediaries who could acquire and then re-assign English rights from Argentina.

Judging by the success in Britain of the latest Falklands book, (Gavshon and Rice's *The Sinking of the Belgrano*), the appetite for the subject remains strong and it would be wrong to assume that Argentine works would not sell. Grant and Cutler, one of the principal British importers of Latin American literature, wish to bring no fewer than 14 "Malvinas" books. Their absence from the shelves of British libraries and bookshops can be seen as an indication that demand seldom asserts itself fully where there is no supply.

One manuscript certain to attract the interest of many British publishers is now being worked on by Argentina's foreign secretary at the time of the invasion, Senor Costa Mendez.

When the general trade ban was mitigated last September to allow the importation of books by individuals and institutions, the far more substantial traffic of consignments for commercial resale in Britain remained outlawed. As a result, the peculiar situation has arisen whereby Argentine suppliers have started to trade directly with individual British purchasers, circumventing their traditional middlemen. This has simply penalized certain UK specialist dealers in the field while allowing Argentine exports to be restored to something like their full flow - the very thing which the ban was intended to prevent.

At the quadrennial congress of the International Publishers' Association in Mexico City three weeks ago, there was a unanimous vote in support of the British Publishers

Association's opposition to the ban; but the Foreign and Commonwealth Office in London, despite rumours of distaste for the ban within its own ranks, has remained unmoved. Parcels of pristine volumes, some of which are required reading for British students of Latin American affairs, still languish in the custody of HM Customs at Dover, redeemable by the purchasers only on condition of their immediate re-export and the payment of a £150 release fee.

The impasse is not without its black humour: while in Mexico City last month, Graham C. Greene, managing director of Jonathan Cape, told the congress how one of his house's books, having been considered for some time by an Argentine publisher, was finally returned only to be impounded by Customs officials. Greene and other publishers are arguing that although Argentina is not a signatory to the Florence Agreement on the importing of educational, scientific and cultural materials, Britain should none the less be guided by the spirit of the compact in its attitude to exchanges of the printed word.

The agreement states that signatory countries may stop the import of relevant matter if it is likely to endanger national security, public order or public morals, yet no such claims are being made for these prohibited or impounded packages.

The Department of Trade and Industry has acknowledged that certain anomalies and injustices are bound to occur. In the course of a lengthy, and at times acrimonious, correspondence with Paul Channon, Minister for Trade, R. F. Cutler, chairman of Grant and Cutler, pointed out that one of his clients, the Royal Institute of International Affairs, had managed to acquire,

shortly before Christmas, a number of volumes identical to those impounded, through one of the firm's Argentine competitors.

Set therefore against the Department of Trade's fear that precedent would attract a host of special pleaders is the booksellers' argument that there is already a *de facto* breach of the ban and that a wholesale lifting of it where books are concerned would represent the real consistency in government policy in the wake of the September mitigation.

But the arguments go deeper than this, and can be identified, according to Cutler's analysis, in three main categories: trade; historical/empirical; and moral. Reduced to their basic terms, they run as follows: while it is possible that the gesture should be made, Argentine book exports are but slightly dented; examples such as the Beira blockade and League of Nations sanctions against Mussolini over Abyssinia demonstrate the failure of such ploys to isolate the victim; finally, and most importantly, should not the written word command universal access in a non-totalitarian state? (And, incidentally, were not books exempted from the trade embargo which followed the Rhodesian declaration of UDI?). As far as the last point is concerned, it is no secret that British publishers felt some discomfort at the Moscow Book Fair last October when their foreign counterparts found some of their titles missing from the stands and brayed a Babel of abuse against Soviet censorship.

Straws in the wind are blowing from the Foreign Office. One of them fluttered to R. F. Cutler's desk five weeks ago. A senior official wrote: "I must say I find your arguments impressive. So I am sure you will be pleased to hear that I have decided that we should now look again at all the implications of our policy on book imports from Argentina - although I am afraid I cannot make any promises about the outcome."

It is an outcome for which Mr Cutler is still waiting at his bookshop off the Strand - not entirely without hope.

HUNT TO STAY IN FALKLANDS

By Our Diplomatic Staff

Sir Rex Hunt, due to retire as Civil Commissioner for the Falkland Islands in July, is to extend his period in office until September next year, the Foreign Office announced yesterday.

Elected members of the Falkland Islands legislative council recently appealed to the Prime Minister to allow the 58-year-old ex-RAF pilot an extra term.

Hunt to stay in the Falklands

Sir Rex Hunt is to remain as Civil Commissioner of the Falkland Islands for an extra 15 months, not being replaced until September next year, the Foreign and Commonwealth Office announced yesterday.

The extension will be welcomed by the islanders, who have been lobbying for it. It will also be welcomed by Sir Rex himself, who had made known that he would like to remain in the Falklands until he retires at the age of 60 in June, 1986.

← The Times 4/4/84

Falklands new constitution expected for next year's poll

By Rodney Cowton Defence Correspondent

A new constitution for the Falklands Islands is being drawn up by the Foreign and Commonwealth Office.

Elements of the constitution are contained at present in various documents such as Orders in Council, Letters Patent, and Royal Instructions, which have been extensively amended over the years.

The new constitution is expected to be essentially a tidying-up, a pulling together of elements from all the documents. It will, however, include constitutional changes based on the recommendations of a Falkland Islands select committee, published last July.

Those recommendations were discussed by Lady Young, Minister of State at the Foreign and Commonwealth Office, when she visited the Falklands in January. The Foreign and Commonwealth Office is understood to have largely accepted the recommendations, though there are several points which it questions.

The Falklands Government is headed by the Civil Commissioner, now Sir Rex Hunt, who is the Crown's personal representative. There is also a Military Commissioner, Major-General Keith Spacie, who is responsible for defence and internal security.

The Civil Commissioner is advised by an Executive Council and a Legislative Council.

The select committee said its recommendations were intended to enable the Executive Council's elected members to exercise more influence on the islands' government and to make those elected members responsible to the Legislative Council.

The committee recommended that the number of elected members of the Legislative Council should be increased from six to eight, and that two ex-officio members should cease to have a vote on the council.

The Legislative Council should elect three of its members to the Executive Council, an increase of one. The practice of having two nominated members on the Executive Council should be ended, and, as on the Legislative Council, the ex-officio members should have no vote.

The committee made no reference to the roles of the Civil Commissioner who sits as president of the Legislative Council and chairman of the Executive Council, or the Military Commissioner, who is a non-voting member of both councils.

Thatcher's Galtferis, page 12



★ Sir Rex Hunt, 57, is to continue as Civil Commissioner of the Falkland Islands until September next year when he will be replaced, the Foreign Office announced yesterday.

The Star 4/4/84

Move for peace with Argentina

BRITAIN is to put ideas for better relations to Argentina soon.

Premier Thatcher said yesterday she would be replying to a message from Argentina.

Britain is expected to

emphasise that real progress cannot be made until Argentina declares hostilities are at an end.

Sir Rex Hunt is to stay as civil commissioner for the Falklands until September next year.

Daily Mirror 4/4/84

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Falklands reprieve for Hunt

By John Ezard

Sir Rex Hunt is to be allowed to stay for an extra year as Civil Commissioner of the Falkland Islands, the Foreign Office announced in a compromise yesterday.

Sir Rex, aged 57, governor during the 1982 Argentine invasion, will be replaced by a new Civil Commissioner in 1985.

One councillor who has represented the Falklands at the United Nations, Mr John Cheek, said the decision to keep Sir Rex on was "what

we wanted. I think that if Sir Rex was ordered by the Foreign Office to do something that was not in the interests of the islands, he would not do it. We are still nervous of the FO."

Persistent Foreign Office pressure on Sir Rex to leave this summer was reportedly due to a wish to replace him with someone less forthright in opposing discussions about the sovereignty of the Falklands. But the Foreign Office said last night: "There is no question of this decision

being taken in the context of our relations with Argentina."

● The Government has delayed responding to Argentine proposals for improving relations with Britain because of "heightened sensitivity" surrounding the second anniversary of the Falklands invasion, the Prime Minister explained yesterday.

During question time in the Commons she was pressed by the Liberal leader Mr David Steel: "Since the

Argentine Government sent proposals on February 18 for improving relations between our two countries why has it taken so long to send a reply and when will it be sent?"

Mrs Thatcher said that Britain had originally sent proposals to the Argentinians, to which they had replied.

"We shall shortly be responding to them. But I am sure you will appreciate it was unwise to send a reply during recent days, as obviously it was a time of heightened sensitivity."

Financial Times 4/4/84

Britain to respond soon to proposals on Falklands

BY PETER RIDDELL, POLITICAL EDITOR

THE GOVERNMENT will be responding within the next few days to President Raul Alfonsin of Argentina's proposals about his country's future relations with the UK and the Falkland Islands.

This became clear last night after Mrs Thatcher said during Prime Minister's Questions in the Commons that Britain would respond soon. However, in a reference to the second anniversary of the Argentinian invasion of the Falklands, early this week, she said that it would be unwise to send a response at a time of heightened sensitivities.

The British reply will stress that there is no question of discussing the future sovereignty of the Falklands. However, the British Government is keen to secure better relations with

Argentina, including trade talks. Britain wants to encourage Argentina finally to end hostilities.

Such discussions are intended to pave the way for a normalisation of relations, and more formal discussions on commercial arrangements.

It was being stressed in Whitehall that any talks along these lines might lead to the dropping of the total exclusion zone around the islands, though such a decision would not be specifically related to the opening of discussions.

There are no plans at present to restore diplomatic relations between the UK and Argentina, since the British Government is happy to carry on for the time being with conducting talks via Swiss and Brazilian diplomats.

Peter Kellner

Just one Galtieri after another

Two years ago this week Mrs Thatcher sent the naval task force to recapture the Falklands. By any reckoning the Falklands war provided the Prime Minister with her most glorious hour. Yet somehow the anniversary reports from Port Stanley fail to reflect that glory. Instead they symbolize the futility and uncertainty of the Government's second term in office.

Consider: two years ago the Prime Minister established an inner cabinet of experienced, determined politicians to direct a clear mission: to recapture the Falklands. How vividly we recall the sights of that inner cabinet entering and leaving Downing Street, their every pavement step recorded by the outside broadcast cameras, as they contemplated their next military and diplomatic move.

Remember Francis Pym, the Foreign Secretary, curling his shoulders at the despatch box and commanding the rapt attention of MPs - now disgraced and in exile with the wets? Remember John Nott, the lean, unyielding Defence Secretary - now retired from politics? Remember Willie Whitelaw, the wise old dove who ensured Cabinet unity - now removed to the House of Lords? Remember Cecil Parkinson, the genial party cheerleader - now inching back from the edge of political oblivion?

Of that inner cabinet, only Mrs Thatcher herself remains in place. There is, in a way, justice in her survival. She alone saw the war as a simple morality play: a fight between goodies and baddies, cops and robbers, cowboys and injuns. Were others worried over the details of Peruvian peace plans, or Common Market diplomacy, or the striking power of Exocet missiles, she retained her primitive faith in the story coming right in the last reel. Come June 1982 and her faith was vindicated, while others' doubts were not.

In all hero-to-the-rescue movies, we leave the cinema assuming either that there is no aftermath, or that the hero and heroine live idyllically ever after. We never see the dirty nappies or the blistering family rows. In this fatal respect, if no other, the Falklands war never could end like an old Ronald Reagan film. Two years on, and the prize for which more than 1,000 Britons and Argentines died looks even more tarnished than before.

Then there is Mrs Thatcher herself. Doubtless she would like her image to have been frozen on that night when she instructed us to "rejoice". But the real world, unlike the movies, keeps rolling. After keeping the "Falklands factor" alive long enough to win last year's general election, Mrs Thatcher's ability to control events has gone. Her opinion poll rating is now lower

than at any time since the Falklands. Today it takes a blind enthusiast not to see how tarnished her own image has become.

When Neil Kinnock became Labour Party leader six months ago, it was widely expected that Mrs Thatcher would eat him alive at Prime Minister's Question Time. It has not happened. Mr Kinnock started a little hesitantly, but today he wins more of these strange duels than he loses.

However, the sheer range of perceived government mistakes, from its handling of the unions over the Government Communication Headquarters to the Prime Minister's own ineptitude in responding to questions about the Oman contract, has created a whole new picture of Mrs Thatcher. Instead of standing erect at the head of a determined political army, she seems to cower in a ditch as the arrows fly. It is not (yet) the quality or precise direction of each arrow that matters, but their number.

It is a posture that any previous prime minister, if he were candid, would find familiar. The point about Mrs Thatcher, however, is that she has chosen to set herself apart from previous prime ministers, as movie heroes set themselves apart from ordinary mortals. It is no accident that in almost every battle the Government now fights, Mrs Thatcher seeks a fresh Galtieri to vanquish. There is nothing dishonest about her approach: it is transparently how she thinks politics ought to be conducted. And as long as she can demonstrate the occasional success, many electors will agree with her.

But there are many issues where there are no plausible Galtieris, however much Mrs Thatcher may wish to conjure them up. The Common Market provides one immediate example where applying the heroes and villains model of human activity is more likely to lead to disaster than success. (A stray thought: suppose the deadline for solving the Common Market's budget problems had occurred when we were seeking diplomatic support against Argentina. What would our negotiating position at Brussels have looked like then?)

Another such issue is the fate of the Falklands themselves. Until the Government radically changes its policy, the cost and futility of the Fortress Falklands approach can only become more absurd and unsettling. As long as Mrs Thatcher searches her B-movie mind for a solution, she will fail. It would indeed be ironic if the very quality that triumphed in the saga of the task force should ruin its sequel.

The author is political editor of the New Statesman.

The Express 4/4/84

Argentines set fire to Little Ben

From REX GOWAR
in Buenos Aires

A FALKLANDS War Veterans' Rally turned into a riot early yesterday and 16 youths were arrested as they tried to burn down Buenos Aires' "Little Ben".

Several policemen were hurt as they shielded firemen called out to the former Britannia Square—now Air Force Plaza—when a fire was started in the base of the English clock-tower.

The rally commemorating Argentina's invasion of the Falklands on April 2, 1982, drew a crowd of 15,000.

But yesterday morning, after the arrests, the small-scale replica of London's Big Ben was still standing—despite the mini-invasion.

The same could not be said for the nearby statue of Britain's 19th-century statesman George Canning. It had disappeared.

According to some reports it now lies at the bottom of the River Plate.

● Sir Rex Hunt, 57, is to continue as Civil Commissioner for the Falkland Islands until September next year, the Foreign Office said yesterday.

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Peace feelers to Argentina

By JOHN DICKIE, Diplomatic Correspondent

BRITAIN is making an attempt to get back to business-as-usual with Argentina.

Proposals being sent to President Alfonsín are seen in Downing Street as an exercise in diplomatic bridge-building. They are in response to overtures presented by President Alfonsín to London in February.

Mrs Thatcher is eager to see a reduction in tension between the two countries so that the 150-mile zone round the Falklands, from which foreign ships and planes are excluded, can be lifted.

One encouraging move this week was President Alfonsín's statement that the dispute must be resolved by peaceful means. This was taken as tantamount to acknowledging the end of hostilities.

The Prime Minister believes the time has come for better trading, financial, cultural and air and sea links between the Falklands and Argentina. That belief is apparent in the new proposals.

Gesture

She remains firm in ruling out any negotiations on sovereignty over the Falklands, which was underlined by the announcement yesterday that Sir Rex Hunt's appointment as Civil Commissioner at Port Stanley had been renewed until September next year, when he will be replaced by another civil commissioner.

But Mrs Thatcher is ready to make a humanitarian gesture towards Argentina by allowing the repatriation of Argentine bodies without any formal negotiations.

President Alfonsín called in his proposals for 'contacts that could lead to a first interchange of ideas leading to the opportune initiation of substantial negotiations.'

Mrs Thatcher is ready to respond to the idea of step-by-step discussions,

The Mail 4/4/84

It's flaming
cheek by
the Argies

- A BRITISH flag burns as Argentines celebrate their day of shame... the second anniversary of the Falklands invasion.
- Fifteen thousand people turned out in Buenos Aires to cheer a black chapter in their history — they were defeated by the British in only 74 days. They also burnt the U.S. flag and an empy of Mrs Thatcher.
- Meanwhile Our Man in the Falklands, Sir Rex Hunt, is to remain in charge until September next year, it was announced. The Foreign Office said Sir Rex, 57, would be replaced after that date.

The Sun 4/4/84

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Argentines burn Big Ben

From Douglas Tweedale
Buenos Aires

Youths marching to commemorate the second anniversary of Argentina's invasion of the Falkland Islands set fire to a replica of Big Ben and pulled down a statue of George Canning, the nineteenth century British foreign secretary and prime minister.

Sixteen marchers were arrested on Monday night after a demonstration by the Malvinas War Veterans' Centre turned into a mêlée involving various political groups, firemen and the police. The incident spoilt

the Government's plan to mark the anniversary with a quiet memorial service to servicemen killed in the conflict.

About 100 of the nearly 10,000 youths who took part in the march began the violence when they reached a square, the name of which was changed from Plaza Britannia to Air Force Plaza after the conflict.

The marchers broke down the doors of the "Englishmen's clock-tower", a half-size copy of Big Ben donated by the British community in Argentina in 1910, and set fire to the lift inside. When firemen tried to

put out the blaze, they were stoned by demonstrators. Damage to the base of the tower was said to be serious.

The clock itself, which showed the correct time yesterday morning, was apparently unaffected.

Later, an ultra-nationalist group stormed a local radio station and interrupted the broadcast of a programme marking the anniversary of the invasion, yelling and shouting at the broadcaster while he was on the air.

Leading article, page 13

The Times 4/4/84

ALFONSIN'S 100 DAYS

The close of Dr Alfonsin's first 100 days has coincided with the second anniversary of the invasion of the Falklands. The occasion was marked by the inauguration of a war memorial at Lujan, where the President reaffirmed Argentina's claims, and a less dignified demonstration in Buenos Aires, which damaged the clock tower that used to be called the Torre de los Inglesis. At the same time the government achieved last-minute assistance on its debt problems, postponing their definition a little longer. What has restored democratic government achieved so far, in the face of so many grave problems, all connected?

Dr Alfonsin has dealt firmly with the military hierarchy, and his measures have met with a high level of agreement. The trial of accused officers by military courts, but with civilian assessment and the possibility of appeal to civil courts, has the merit of his insistent constitutionalism. The government has not flinched at exhuming the past, as was plain to see in December and January. It has altered for the better the tone of

national debate: so far there is less intransigence, fewer chanted slogans. In international relations Argentina is close to an agreement with Chile on the Beagle Channel, and in her latest debt negotiation has received the combined support of Mexico, Brazil, Venezuela, Colombia and the United States.

There have also been failures. The government's legislation to democratise and re-structure the trade unions was halted in the Senate by the Peronists and their allies. No grave confrontation has yet occurred, but strikes have been frequent. This is natural enough in a democracy in Argentina's circumstances, and the exchanges have been a genuine dialogue. More serious is the "missing" economic plan.

The Radicals argue that they were unable to investigate the full seriousness of the crisis, before taking office, and that no negotiator shows more of his hand than is convenient. Their political circumstances - a demanding electorate, the Peronists in opposition, a union movement feeling for power again - mean that they must be

seen to fight for the most favourable terms, and to drive the hardest bargain they can with the banks who lent to their predecessors.

There still has to be a bargain, and if it is going to be difficult for the banks it is going to be difficult for Dr Alfonsin too. Despite talk of self-sufficiency in oil and in food, a real breakdown in debt negotiation would produce enough economic chaos in Argentina even to instal another military government. It would also cost the country the international respectability and the regional support that Dr Alfonsin has set out to regain. He will argue about obligations, but he will not repudiate them.

Dr Alfonsin's priority must now be to produce a coherent plan for his country's immediate economic future, an end that Argentines naturally place first and one that will explore to the full their present capacity for compromise. Yesterday's ceremony and demonstration remind us of other long-term Argentine aims. At least the demonstration was not government-inspired.

£22m Flexiport cuts Falklands storage costs

By Rodney Cowton
Defence Correspondent

A £22m floating dock built during the past three months is entering full operation on schedule in the Falkland Islands. It will substantially reduce the cost of maintaining the garrison in the islands.

Because of inadequate port and storage facilities much of the stores for the 4,500-man garrison have had to be kept expensively on board ships at anchor in the harbour.

For more than a year the 10,000 tons deadweight ship, *Tor Caledonia*, has been lying in the harbour as a floating store holding military equipment.

Two other refrigerated ships, each of nearly 10,000 tons deadweight, the *Avelona Star*

and the *Andalucia Star*, have operated a roughly two-monthly rotation as ration ships, taking it in turns to lie in Port Stanley harbour for weeks while their stores were gradually consumed.

All three ships will be able to

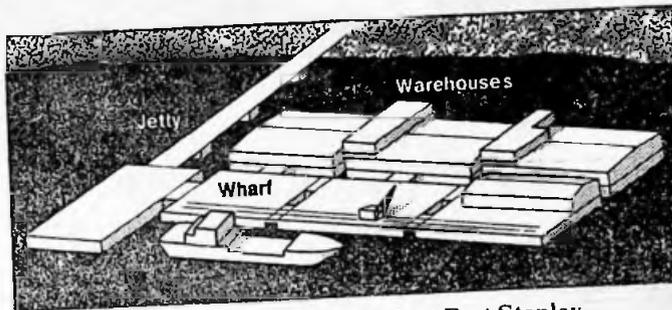
be released by the Ministry of Defence and returned to normal trade. Instead of a ration ship arriving every seven or eight weeks, smaller ships will be used, probably arriving twice a month.

The new floating facility, or

Flexiport as it is called, has been built by ITM Offshore of Middlesbrough. It consists of six large barges moored to piles and linked to the shore by a 190-metre jetty. The barges provide a workable quay of 295 metres and about 9,000 square metres of warehousing.

The barges were built at Harland and Wolff, and carried out to the Falklands on board two heavy-lift ships. To off-load them the ships were submerged and the barges floated off, the ships then being pumped dry again.

The Flexiport is believed to be the first of its kind in the world. It is designed to be capable of being transported to other sites. The United States Army is believed to be showing interest in the system.



Layout of the floating dock at Port Stanley.

FALKLANDS OURS, INSISTS ALFONSIN

By CRISTINA BONASEGNA in Buenos Aires

PRESIDENT ALFONSIN of Argentina issued another call for negotiations with Britain over the Falkland Islands yesterday, in a nationwide speech on the second anniversary of the invasion.

But he insisted his country had sovereignty over the islands and wanted to control them.

The terms of talks between Britain and Argentina would include ample guarantees for the islands' British inhabitants and would call for the de-militarisation of the area, he said.

"We believe goodwill is shown by facts. We are waiting for the UK to make moves revealing its goodwill."

Argentina's Foreign Ministry said later it was still awaiting a British reply to a recent Argentine proposal for negotiations over the Falklands.

The president spoke in the city of Lujan, about 35 miles from Buenos Aires, after attending a Mass in the cathedral and unveiling a monument bearing the words "Glory and Honour to those who fell on the Malvinas."

Telegraph 3/4/84

'Not in vain'

He told a large crowd: "The death of Argentine soldiers was not in vain."

The Argentine people and government were convinced the campaign deaths confirmed even more the belief that their sovereignty claims were just.

He said: "The fact that a government which used force did not take into account the terrible consequences their actions would bring about, does not rule out that the goal of our soldiers was, is, and will always be that of all generations of Argentines: The definite recovery of the Malvinas, the South Georgias, and the South Sandwich Islands."

The Falklands invasion was launched by General Galtieri, Admiral Jorge Anaya and Brigadier Basilio Lami Dozo.

All three are now under arrest and face court martials for their decision, and alleged mishandling of the seven-week conflict.

Later yesterday, President Alfonsin attended a second ceremony in Buenos Aires, accompanied by President Miguel de la Madrid Hurtado, of Mexico, who began a three-day official visit.

Debt Deal—P4

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Falklands: beware the mushrooming myths

Two years after the invasion of the Falklands, progress in Anglo-Argentine relations has been painfully slow since Mrs Thatcher sent President Alfonsín remarkably warm greetings on his inauguration in December and he responded with his now-famous "where there is a will, there's a way" message.

The British followed up the exchange - and a flutter of public statements on both sides - with a series of proposals on January 26. President Alfonsín gave a six-point reply in Caracas on February 1. After British protests he sent what seem to have been counter-proposals, rather than a reply, to London on February 17. Reports that there have been disagreements about the British reply within the Government here are hotly denied in Whitehall: Sir Geoffrey Howe told the Commons last week that the Argentine message was being studied and that a British reply would be sent "shortly".

Since both leaders owe their election, at least in part, to their stand over the Falklands War, the issue of Anglo-Argentine relations is ultrasensitive to both. President Alfonsín is vulnerable to attacks from the nationalist right, always ready to accuse him of a sell-out. He cannot accept that Falklands sovereignty should be excluded from the agenda any more than Mrs Thatcher feels that she can formally agree to discuss it. Mrs Thatcher wants to talk about normalizing relations, while maintaining her commitment to the Falkland Islanders; President Alfonsín must reiterate Argentine claims to sovereignty, while wanting to "rebuild" relations.

There have still been no face-to-face contacts between representatives of the two governments; the visa requirement remains in force; Argentine and British airlines do not fly into each other's capitals; and *interventores* still sit in the directors' offices of British companies in Argentina. The state of hostilities still exists formally, although the "exclusion zone" has been renamed the "protection zone". However, since democracy came to Argentina there has been no Argentine incursion - apart from last week's antics by Señor de Stefanis and his friends, who are probably trying to embarrass the Argentine government anyway.

For a time there were rumours of mediation efforts - both the Italian and the Portuguese governments were mentioned - and there have been sporadic attempts at megaphone diplomacy, with occasional statements by both sides. Both governments, however, seem to have agreed to communicate in private and through the "protecting powers". The Argentines talk to Britain through the Brazilians, the British reply through the Swiss. The British ambassador in Bern relays messages to the Swiss Foreign Ministry, whose ambassador in Buenos Aires is instructed to pass them on; the Argentine ambassador in Brasilia passes Argentine communications to the Brazilians, whose embassy here contacts the Foreign Office. There is no room for nuances or atmospherics although the system is working well and has been remarkably leak-free.

If anything, Mrs Thatcher has, at

least potentially, more room for manoeuvre. Opinion among the islanders cannot yet contemplate any discussion about sovereignty; but Falkland spokesmen such as Councillor John Check have said in interviews that they would have no serious misgivings if London and Buenos Aires were to seek to improve their relations. While Peronist deputies were voicing concern in the Argentine Parliament last month about suspected "secret talks" with Britain, the mood on the Conservative backbenches here was divided.

Though articulate Conservative opinion clearly favours a move out of the stalemate, and would not like to see the Prime Minister branded as "intransigent," media and public opinion also seems ready to shift. President Alfonsín's Caracas statement was greeted by a chorus of editorial approval. In a poll on Independent Television's *Weekend World* in February, 60 per cent of those questioned favoured talks with democratic Argentina, while opinion was more or less evenly divided over sovereignty. The same programme's poll in Argentina revealed that, for the electorate there, the economy and human rights were by far the most important concerns; only 6 per cent considered the "Malvinas" a priority issue.

There are some substantial areas of disagreement. Argentines seem irked by what they call British "fortification" of the islands, which they want "dismantled". British ministers disliked the President's idea that talks should be held at the United Nations and doubt the

realism of Argentine assumptions that, in effect, the arrival of the new Argentine government means that matters can revert to the pre-1982 or even pre-1977 situation (when the previous Falklands talks got under way).

However for both leaders the forces of inertia are now very enticing, and political myths, in the absence of direct talks, are mushrooming on both sides. The language of cold-war confrontation is increasingly being used in private; the Argentines purport to see sinister Nato motives behind Britain's defence installations, and resent British talk about "confidence-building measures". Argentine inaction can be justified by the belief that the cost of defending the islands will in the end force the British into talks; the British can postpone dealing with President Alfonsín on the wholly spurious grounds that there could be another military coup soon in Buenos Aires. The atmosphere, now getting bitter, could soon become poisonous.

The long-awaited British reply may dissipate the bad odours and start the two countries talking. Relations between Britain and Argentina should be the main concern; they can and should be rich and varied. The alternative is an increasingly disproportionate obsession with abstractions and the development, on both sides, of what Argentine commentators have aptly called the "Malvinization" of foreign policy.

David Stephen

Falklanders still look to Thatcher strength

Telegraph
2/4/84

By PATRICK WATTS in Port Stanley

WHILE Osvaldo Destefanis persists in his lone attempts to reach the Falklands, directing Argentine war dependants in a converted cattle ship, stowing away in a cruise liner, and more recently allegedly planting an Argentine flag in the islands, his exploits have not been ignored by the Falklanders.

His actions typify the fanaticism which exists within Argentina to recover the Falklands after 150 years of British rule.

Many islanders feel that only Mrs Thatcher's strength and determination prevents talks between Britain and Argentina being re-opened in the near future.

A year ago it was inconceivable that the Civil Commissioner, Sir Rex Hunt, would be the peoples' popular choice to remain their leader.

Elected members of the legislative council have given Sir Rex their vote and appealed to the Prime Minister to order a reprieve for the 58 year old ex-RAF pilot who is due to retire in July. Sir Rex was "someone we know and trust and that it was important for the confidence of the people that he return to post."

Shoddy workmanship

There has been unanimous condemnation of shoddy workmanship in rehabilitation projects being supervised by the Crown Agents.

£15 million given by the Government for the repair of Stanley's roads and the building of 54 houses has been swallowed up. The price for each house has increased from £30,000 to £130,000 and miles of roads remain rutted and rough, while many areas of repair are already breaking up.

Some 18 months ago the British Government allocated £51 million for economic development and Councillor

John Cheek said that he is "worried that a lot of money is being spent on experts and we haven't had a lot of return yet."

Several millions will be used to renovate Stanley's power and water supplies. Military generators have been withdrawn by the Royal Engineers and daily power cuts are frequent.

Failure to attract many successful immigrants has worried many islanders. Amid much publicity the Wilton family from Sussex arrived, watched their fish and chip van rust away and departed accusing islanders of being unhelpful.

A Protestant minister hardly stayed long enough to find his church before leaving for "personal reason." Lack of suitable housing is a much-used phrase.

Several local girls have married British troops. But the percentage is lower than when 40 Royal Marines were deployed for a year, pre-conflict.

A number of civilian English girls have found romance with soldiers while relationships between servicewomen, who remain quietly aloof, and local boys is non-existent.

The building of a £215 million strategic airport on East Falkland shows, says Sir Rex "a commitment by HMG to the future of the Falklands."

Invincible "lie"

The Soviet government's newspaper IZVESTIA, said yesterday that a claim by Mr Haig, former American Secretary of State, that the Russians offered to sink the carrier Invincible for Argentina was a lie. Haig said he had been told of the Soviet offer by Gen. Galtieri, who was President of Argentina during the Falklands war in 1982.—A P

EXACTLY two years after the Falklands were invaded, bitterness surrounds the fund set up to compensate families of the dead.

Angry parents of men killed in the conflict are taking legal action against the administrators of the South Atlantic Fund which raised about £16 million.

Donated

Lawyers acting for 60 families have been instructed to prepare a case for a more equal distribution of the money, which was donated in amounts varying from a child's 50p pocket money to £2 million from Hongkong.

The move is supported by Mrs Freda McKay, mother of VC hero Sergeant Ian McKay, who has previously written to Mrs Thatcher asking for families to be treated alike.

She said: 'This money was

Falklands war fund pay-out is unfair, claim angry parents

She said: 'My son often gave me help which would make life more tolerable. It would enable me to buy clothes for my daughter and he was always doing things to make the house better.'

'It seems wrong arguing about the money. It doesn't compensate us for our sons but it would make things easier.'

Mr Charles Ford, chairman of the Falklands Families Association, also received the minimum £2,500.

Devastated

His 18-year-old son Stephen was also killed on Ardent.

Mr Ford said: 'I was devastated.'

'We were told we would receive money according to our needs but our needs were not assessed at all.'

Colonel John Ansell secretary of the South Atlantic Fund, said: 'Because the fund is a charity, we have to abide by charity rules and the law is that we can only make payment according to need. We have looked at every case sympathetically.'

setting up the charity trust to run the fund and demanded a full statement of accounts.

About £13½ million has been paid out, leaving £2½ million in the bank.

The 140 war widows have received between £30,000 and £75,000 each and the next of kin of single men a minimum of £2,500, with additional payments promised depending on circumstances.

Another 796 men who were wounded have also received payments.

But it is the £2,500 payment that has caused the outcry.

Widow Mrs Brenda White, whose son Stephen was killed on HMS Ardent, was refused help from the fund for a house damp-proof course, despite being on £47-a-week social security.

EXCLUSIVELY
By PAUL CROSSBIE

the South Atlantic, set up after last year's pilgrimage to the Falklands

Chairman Leslie Stockwell, whose 25-year-old son, Geoffrey, a petty officer engineer, died on HMS Coventry, complained that the Ministry of Defence had no authority in

given voluntarily for everyone who suffered. It wasn't given to the family whose children go to public school got more than the one whose children go to a comprehensive.'

The protest is being coordinated by the Association of Unmarried Men killed in

Falklands peace being slowly won as new industries start to move in

THEY still count them all out and count them all back in the Falklands. Two years after the conflict began fighters on alert, with missiles armed, still scramble and fly low over Port Stanley westwards towards Argentina. It has become routine.

The alert was real on April 2 last year, the first anniversary of the Argentine invasion. Argentine bombers on course to breach the protection veered away at the last minute, as they always did last year. The crucial difference this year is that all the alerts have been exercises. The zone is not known to have been buzzed since President Alfonsín, on gaining power, effectively though not formally renounced force.

Under the flight path of the Harriers and Phantoms there are other big differences this year. A £240 million international airport is being built by the Ministry of Defence 30 miles from Stanley. Fifty-four new houses have gone up in Stanley, at £133,000 each. About a sixth of farmland has been, or is being, redistributed to islanders.

There are other differences too—five miles of road repairs and the beginnings of a wool mill and textiles factory on the island of West Falkland. In September a trawler is due to arrive to start a pilot inshore crab fishing project and a site has been earmarked in Stanley, where three Nissen huts will go up the same month to form the nucleus of a light industrial estate.

The site's first likely tenants are a bakery and a tyre remoulding works, but these enterprises were unreamed of two years ago. They contribute to the biggest non-material change since the liberation—a sense that the Falklands peace, like the Falklands war, is slowly beginning to be won.

Winning the peace commands little attention from television and from the Papers Which Supported Our Boys, and even less interest from the politicians who opposed the conflict.

Yet in the absence of tangible diplomatic progress, the most important and heavily pursued Falklands policy issue of the past two years has been to try to reverse the sense of gradual economic death which had haunted the population for so long. Neglect and depopulation had gone so far as to prompt other nations to question Britain's moral, let alone legal, right to hold the islands.

"I think that what we have begun to do is enough to reverse both the feeling and the reality of decline," said David Taylor, who is three months into the job of British Government development supremo there. "Certainly, I don't get any feeling of that now."



John Ezard on the careful approach being adopted two years on from the invasion

Left: David Taylor—'something spectacular just isn't on'

try to assure the economic future of the islands while at the same time preserving their way of life as far as possible, a structured, carefully considered development programme is essential."

Two phrases in this brief stand out. The first is "preserving their way of life." In most judgments Britain has done that remarkably well, despite minefields, alerts, and 4,000 troops. Most visiting politicians, officials, and senior soldiers accept that there is a special quality of scale about life in the Falklands.

For some it is a rare example of a British "organic community"—the lost ark of pre-industrialisation for which William Morris, D. H. Lawrence, F. R. Leavis, and any generations of community-minded socialists have searched as a model for a British future. For others, it is a boring colony, politically apathetic, deferential, lacking spare women, wine bars, or service industries. But both groups would agree that as long as the Falklands are considered worth defending with £600 million a year, their best qualities are worth preserving.

The second phrase which de-

serves emphasis is "carefully considered." This implies Aristotelian deliberation, but is—at worst—a standard Whitehall formula for contemptuous inertia. And the worst of what Conservative policy has meant in practice was illustrated when Mr Taylor gave evidence last week to the Commons Foreign Affairs Select Committee.

He was asked about progress on a request to Britain in November for an immediate 200-mile fishing limit around the Falklands. This was the most urgent, considered, and united democratic initiative the islanders have delivered since the conflict. It was made because more than 100 foreign trawlers have already appeared in these waters, arousing fears of over-fishing of one of the best prospects for generating future local revenue.

From Britain there has, effectively, been silence for four months. None of the highly detailed arguments put by the Falklanders has been answered privately or publicly.

The worst of this gradualist approach has also

meant that many keen immigrants have had to be discouraged because there is still no infrastructure, housing, or planning to cope with them. It means that jobs which could be filled by immigrants are being done by expensive temporary overseas aid staff. It means that David Taylor himself is technically in a ghost job, heading a development corporation which does not yet formally exist.

Yet the Falklands have had a healthy net population gain this year. Some of those who left in despair have returned. Immigrants have fought their way through red tape and uncertainty. And the best aspect of gradualism means that 24 islanders now own, or will shortly own, the land they once worked as tenants or employees.

This has been part of the voluntary, but encouraged, land sales policy which the British Government introduced after rejecting the Shackleton report's policy of nationalisation. No land owned by the Falkland Islands Company, Lord Shackleton's chief target, has come on the market since liberation. But the Falklands Government has agreed to reopen the issue of nationalisation if voluntarism proves too gradual.

Mr Taylor's check-list approved by councillors, for spending his £31 million is undramatic. Much of it goes on infrastructure, on roads, power and water supplies which were so old that they would have collapsed in 10 or 20 years without Argentine interference, and on a new study for a deep water jetty. Some £3.5 million goes into recruiting more expatriate manpower, £2 million for improving camp tracks, £4.6 million in grants for small individual projects.

It is soon accounted for, the fund will probably have to be topped up by Britain before the five years expire.

The Guardian 2/4/84

✕ But in the next breath he added: "I believe that what one can achieve is relatively limited and unspectacular. We are under pressure all the time to do something spectacular, but it just isn't on. A gradual, careful approach is as much as the present administration can cope with."

Mr Taylor, aged 50, a senior Booker McConnell executive on secondment, was appointed in November as chief executive of the Falklands Development Corporation, with £31 million to spend over five years.

His official brief said: "It is recognised that, in order to

Haig's book fuels Belgrano dispute

By Richard Norton-Taylor

THE controversy surrounding the sinking of the Argentine cruiser, the Belgrano, during the Falklands war is likely to increase as a result of the account by Mr Alexander Haig, then US Secretary of State, of the hectic attempts to reach a diplomatic settlement.

In a long excerpt from his new book, published yesterday in the Sunday Telegraph, Mr Haig says that the Peruvian President, Mr Belaunde Terry, gained acceptance in principle from both parties of a five-point peace plan.

While the Argentine junta was considering the plan, Mr Haig said, the British nuclear-powered submarine, Conqueror, sank the Belgrano outside the total exclusion zone.

Critics of the Falklands war yesterday seized on a series of discrepancies in Mr Haig's account of events during the crucial few days at the beginning of May 1982.

Mr Haig states that he worked all day on Sunday, May 2, on the peace proposals with the Peruvian President. Last year he said that it was the previous day which he devoted to the peace plan.

He also says in his account yesterday that the peace plan was passed to Buenos Aires

on May 4 before it was wrecked by the attack on the Belgrano. Yet the Belgrano was sunk on May 2.

Mr Haig adds that the Conqueror's captain, Commander Christopher Wreford-Brown, acted on rules of engagement "issued long before." The commander was quoted last year in *Our Falklands War* — Men of the Task Force tell their story, that the rules of engagement were changed in London on May 2.

The Belgrano, Mr Haig says, was equipped with Exocet missiles, and "was steaming in a threatening manner towards the British fleet."

Yet Whitehall has acknowledged in answer to parliamentary questions from Mr Tam Dalyell, Labour MP for Linlithgow, that the Belgrano was heading away from the Task Force when it was torpedoed.

It has also been acknowledged that although one of the cruiser's escorts was equipped with Exocet missiles the Belgrano was not.

Mr Dalyell, who by the end of April will have addressed nearly 50 meetings in six months on his call for a public inquiry into the sinking of the Belgrano, will today put down a Commons motion demanding a debate on the discrepancies in Mr Haig's book.

THE HAIG MEMOIRS, part 2: How Argentine bad faith broke up the Falklands negotiations and led to war

The blatant double-cross



BY EASTER SATURDAY, 1982, US Secretary of State Alexander Haig had hammered out a new draft agreement on the Falklands. It was a modified form of an earlier one: Argentine troops would leave the islands, British administration would be restored and economic sanctions against Argentina would be lifted. Argentina would retain a presence on the islands to liaise with an international consortium established there to monitor compliance, and flags of all nations present would be flown. (General Galtieri attached great importance to the flags.) Here, in the second extract from his forthcoming memoirs, General Haig tells how the chances of a settlement were wrecked by the Argentines.

EARLY on Easter Sunday I drove through the quiet streets of Buenos Aires to the nearest church. Other early risers, mostly women, had come to pray. I was recognised, and when I rose from my place, several women approached me. These were quieter and more kindly faces than the ones I had seen in the crowd, and truer, I imagine, to the real face of Argentina. One by one they took my hand. Several murmured the same phrase: "Bring us peace." A young mother with a child in her arms pressed a religious medal into my palm. This would have been a moving experience at any time; on Easter morning, knowing better than anybody what obstacles lay in the path of peace, it was poignant indeed.

At the airport, Costa Mendez, the Foreign Minister, showing the fatigue of our long session of the night before, awaited me. We had parted at one o'clock, and it was only a little past eight. Costa Mendez handed me a paper. It contained some personal thoughts of his own, he said. He hoped that I would read them on the plane. Aloft, I scanned the paper Costa Mendez had given me. It constituted a retreat from everything we had accomplished at the Casa Rosada [the presidential palace] the night before. The Argentines were demanding either *de facto* authority over the islands through administrative arrangements that would give them immediate control of its government, or a British promise that sovereignty would be transferred to Argentina no later than December 31, 1982, regardless of the outcome of negotiations. This was a formula for war.

As I arrived in London, it was my hope that Mrs Thatcher would see that while her strategy of pressure and threat was having the right effect in rattling the Argentine leadership, it could not produce an Argentine withdrawal from the islands. Only diplomacy could do that, short of military action. We were two minutes early at No 10. Mrs Thatcher convened the meeting at once. Though it was abundantly clear that her determination was as strong as ever, she and her Ministers negotiated fully and responsibly every point of the draft we had produced with Galtieri and the Junta. It was even clearer than before that self-determination for the islanders was the paramount consideration.

Then, in the midst of the talks, we were informed that the *New York Times*, in its editions of that day, had carried an article describing the "personal thoughts" that Costa Mendez had handed to me at the airport in Buenos Aires as the official policy of the Argentine Government. This threw everything into doubt. At about 2.30 in the afternoon, I placed a telephone call from No 10 Downing

Street to the Argentine Foreign Minister in Buenos Aires and asked for an explanation. Costa Mendez suggested that we talk later, after he had had time to discuss the matter with the Casa Rosada.

At 19 minutes after midnight on April 13, Costa Mendez phoned me at my hotel. He told me that Argentine islands must be governed under the Argentine flag by an Argentine governor. The Junta could not tell the Argentine people that it would discuss self-determination after all the risks they had taken. "These two points are essential, either one or the other," Costa Mendez continued. "That is what my President said." This finally confirmed the blatant double-cross. I clung to my temper and replied, "I didn't understand that from your President. All I got from him was the importance of flying the flag. This is a tragedy for everyone."

Perhaps, said Costa Mendez, it was just a matter of how the proposal was worded and presented; perhaps it was just a matter of "cosmetics." Costa Mendez, an able diplomat of long experience, surely knew how disingenuous this statement was. "There is a very, very serious prospect of war," I said. "The results will be felt within hours if I do not continue with this process."

I asked again if I should come to Buenos Aires on the following day. Costa Mendez offered to send a man to Washington or come himself. I told him that would be a mistake. "Think it over tonight," I said. Costa Mendez said he would think it over with Galtieri. "Talk to your President," I urged. "Tell him we are close to a workable solution if we are not faced with these kinds of alternatives. I'll call you in the morning." Costa Mendez, in an abrupt change of mood and tone, suddenly began speaking of resuming negotiations early.

When I called Mrs Thatcher at 1.20 am, immediately after completing my talk with Costa Mendez, she listened sympathetically to my account of his words and said, "What a sad thing!"

Just before noon Costa Mendez called back from Buenos Aires. His Government was now willing to modify its demands. It would not insist on an Argentine governor if the agreement contained a British acknowledgment that it intended to "decolonise" the Falklands in compliance with the 1964 United Nations Declaration on Decolonisation. However, Buenos Aires was not prepared to submit this proposal formally without some advance indication of flexibility from London. Argentina also required a guarantee that the British fleet would limit its movements and, from the United States, a firm statement that the US was not assisting Britain militarily in any way.

I replied that it was unrealistic to expect the British to limit the fleet's freedom of action before an agreement had been reached. On military co-operation with the British, I could give firm assurances at once. Since the outset of the crisis, the United

States had not granted British requests that would go beyond the scope of our customary patterns of co-operation.

Francis Pym was cautious when I spoke to him a few minutes afterwards about the new Argentine offer. Neither of us was immediately familiar with the UN Declaration mentioned by Costa Mendez, and while our respective staffs tried to find a copy of it, we could only agree that there was a basis for hope that we might keep the dialogue going. I interpreted the Argentine proposal to mean that Buenos Aires accepted autonomy and self-determination for the Falklanders. Pym, emphasising once again that self-determination was crucial, did not reject the matter out of hand.

Later, I spoke to Mrs Thatcher, whose wariness and reservations were as great as Pym's; but she, too, believed that there was a basis for continuing the process. When Costa Mendez called back at two in the afternoon, I was able to tell him that I had spoken to the highest figures in the British Government, and that I saw grounds for a breakthrough. Costa Mendez agreed that I should return to Buenos Aires. He sounded deeply tired. The British, too, were showing signs of fatigue. My staff and I had had very little sleep over a four-day period. I decided to stop over in Washington for a night.

THE LEAKS and indiscipline that had vexed other diplomatic efforts were intensified in the Falklands crisis. Secret negotiations, which depended for their success on remaining secret, were repeatedly leaked from the White House and elsewhere and were seldom accurate. One report, on ABC's "Nightline," alleging that the United States was offering extraordinary Intelligence support to Britain, very nearly wrecked the talks. This report was false. I informed ABC that it was false before it was broadcast.

On Thursday, April 15, we were airborne again. In Buenos Aires the atmosphere was distinctly more ominous. The Press had taken on an even darker and more bellicose tone, and the signs of self-hypnotising war hysteria had intensified. The prospect of military defeat, political isolation, and economic ruin — which was understood if not admitted at the heart of the Argentine Government — continued to be obscured by patriotic fervour. The day before, Galtieri had phoned President Reagan again and asked him to intervene with the British to stop the fleet; his rising anxiety was obvious.

I carried with me a proposal, approved by Mrs Thatcher, that called for Argentine withdrawal from the islands, a halt by the British fleet at a distance of 1,000 miles from the Falklands, an interim administration by Britain and Argentina with the United States also present in the islands, an immediate end to economic and financial sanctions, and guaranteed completion of negotiations on the question of sovereignty by the last day of 1982. It seemed inconceivable to me that any rational Government could reject these terms.

COSTA MENDEZ called on me near 11 pm on April 15. He had just come from a meeting with the Junta. Argentina had rejected the British terms. Costa Mendez handed me new proposals. Once again, the Argentines had reversed themselves and abandoned the compromise Costa Mendez had offered during our telephone conversation. Now the Junta wanted shared administrative control of the islands during a transition period, with provisions for saturating the Falklands with Argentines and for pushing out the existing population, plus conditions for a final settlement that would automatically result in a declaration of Argentine sovereignty.

"I am sure the British will shoot when they receive this message," I told Costa Mendez. Visibly shaken, the Foreign Minister asked if I wanted to see Galtieri or the Junta; I replied that I believed that I had earned the opportunity of seeing them and telling them the consequences of their decision. By now I was beyond surprise, but hardly able to bear the weight of my pessimism. It was clear that I was not dealing with people who were in a position to bargain in good faith.

Time after time Galtieri and Costa Mendez had agreed to conditions, only to have the ground cut from under them. Apparently, some invisible force held the power of veto over the duly constituted authorities of the Government.

"My advice is to wait until you see the Junta before you send the British any messages," Costa Mendez said. Then, with a quick shake of his head, he uttered a phrase that demonstrates how large was the gulf that separated the two sides. "I am truly surprised," he said, "that the British will go to war for such a small problem as these few rocky islands."

As soon as Costa Mendez left, I reported to President Reagan, telling him what had occurred and saying that if, as I anticipated, I made no headway with Galtieri in the morning, I would depart immediately for Washington. It would be fruitless to carry these latest proposals to London. To do so, moreover, would be unfair to the British Government because it would shift the onus for ending the negotiations on to it, when the fault lay in Buenos Aires.

"I can understand your personal frustration and disappointment," Reagan replied. "You undertook an extremely difficult task and have carried the burden to its fullest potential at great personal sacrifice. For that you have my deep personal thanks, Al." The President instructed me to return to Washington the following day unless overnight enlightenment occurred.

In the Casa Rosada the next morning, April 16, Galtieri listened magisterially while I explained the advantages to Argentina of the proposals worked out before Argentina's new demands shattered the matrix. Galtieri made no response. I asked him if I should present the American estimate of the situation and explain the proposal to the full Junta. Again Galtieri was silent. Instead, he complained, "with the frankness that is possible between members of the family," that a num-

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ber of people in the American Embassy were asking for visas to go to Uruguay; this made Argentina look like Iran instead of a civilised Christian nation. Suddenly, Galtieri abandoned pretence and for a moment the underlying panic showed. "You must seek a peaceful solution," he said, in a tone of urgent appeal. Then, without further discussion, he suggested that I meet the full Junta on the following morning.

But when the meeting convened at 10 am on April 17 in the Casa Rosada, I found that thorny intransigence and the lush foliage of heroic speech had grown up again during the night. I had not previously met Admiral Anaya and Lieutenant General Lami Dozo [of the Air Force]. For the record, Galtieri said that Argentine sovereignty over the islands had never been up for discussion. Visualising the end of negotiations, he said, rather mistily, "I can visualise a ceremony with the raising and lowering of flags by an honour guard of Royal Marines and San Martin Grenadiers while the British band plays the Argentine national anthem and the Argentine band plays 'God Save the Queen.'" Unfortunately, Galtieri added, he had not seen a draft expressing British concessions that would lead to this happy result.

Admiral Anaya, an unsmiling man with a hard voice and harder opinions, spoke of his son, an army helicopter pilot who was serving in the islands. "My son is ready to die for the Malvinas," he told me, "and it is my family's point of view that we would be proud to know his blood had mingled with this sacred soil." By then I was very tired and I could not smother my feelings. "Let me assure you, Admiral," I replied, "that you don't know the meaning of war until you see the corpses of young men being put into body bags."

Lami Dozo, third in influence on the Junta but also clearly its most realistic member, said that it was vital that both British and Argentine forces be withdrawn, so long as the situation was resolved by December 31. I seized on this. "There is nothing in the agreement that precludes Argentina from saying that it received satisfaction," I said. "We must put this thread of history through the eye of a needle. I believe that withdrawal is achievable." Galtieri paused, threw back his head, and gave each of his colleagues a look of Caesarian authority. "I agree," he said. After a weighty pause, Anaya joined in. "Our concept is not far from yours," he said. "We must find an acceptable solution." We adjourned to draft yet another new set of proposals.

Again the result was an impasse. When, late at night, it seemed that progress had become impossible, I played a wild card. Although the British in fact told us nothing of their military plans, the Argentines plainly believed that we knew everything they did. Possibly this misconception could be useful. I called Bill Clark at the White House on an open line, knowing that the Argentines would monitor the call, and told him in a tone of confidentiality that British military action was imminent. At 2 am on April 18, new proposals were delivered to me at the hotel together with an invitation to resume the negotiations at the Casa Rosada at two o'clock in the afternoon.

WE MET in a frigid, air-conditioned conference room, hung with maps and furnished with gleaming modern tables and chairs, on the second floor of the Casa Rosada. Frigidity extended beyond the room: members of my staff, waiting outside, were left for nearly 12 hours without food and were escorted to the lavatory by armed guards.

Gradually, it became apparent what the difficulty had been. If Galtieri did not hold the power of decision, neither did the Junta. On every decision, the Government apparently had to secure the unanimous consent of every corps commander in the Army and of their equivalents in the Navy and Air Force. Progress was made by syllables and centimetres and then vetoed by men who had never been part of the negotiations. Ten hours of haggling failed to produce a workable text. The Argentines could not agree on the very point the Junta had granted the day before: withdrawal of forces. The staffs on both sides were half asleep.

At 10 in the evening, Galtieri again drew me aside. "If I lay it all on the line," he said, "I won't be here." I asked him how long he thought he would survive if he lost a war to the British. Just before midnight, Galtieri reconvened the Junta, and by 2.40 am on April 19 we had produced a draft, acceptable to the Argentines, providing for an immediate cessation of hostilities and the withdrawal of forces, an Argentine presence on the island under a US guarantee, and negotiations leading to a resolution of the question by December 31, 1982. I believed that Mrs Thatcher would have great difficulty in accepting this text. Later in the morning, I met the Argentines to clear up a number of unresolved points. This, too, was a strenuous session, but by 1 pm we had in hand a modified text that anticipated some of the British objections.

Leaving the Casa Rosada, I ordered our aeroplane to be ready for takeoff at 4 pm. Our destination was undecided. If Mrs Thatcher, after seeing the Argentine proposals, wanted me to come to London for further talks, I was prepared to do that. Otherwise, I would return to Washington. Costa Mendez remained with Galtieri, but assured me that he would meet me at my hotel at two o'clock. He did not keep that appointment and, after a number of telephone calls, arranged to meet me at the airport. Recalling our last airport meeting, I was deeply apprehensive.

The engines of the jet were

Time runs out for the Junta



Anti-British demonstration in Buenos Aires, April, 1982

already turning when Costa Mendez arrived. As in our earlier airport encounter, he drew an envelope from his pocket, advising me to open it and read the message inside after I was airborne. As the wheels lifted off the runway, I read Costa Mendez's message. "It is absolutely essential and *conditio sine qua non* that negotiations will have to conclude with a result on December 31, 1982," it said. "This result must include a recognition of Argentine sovereignty over the islands."

Once again, in an exercise of bad faith that is unique in my experience as a negotiator, the Argentines had gone back on their word and returned to their original, impossible terms: the British must either give Argentina sovereignty over the Falklands, or approve an arrangement for governing the island that amounted to *de facto* Argentine sovereignty. This, Mrs Thatcher would never give them because it rewarded aggression and betrayed the islanders. The British fleet would be within gunnery distance of South Georgia within 48 hours.

In the face of the latest Argentine refusal, the United States could either abandon the negotiations or make one final attempt to resolve the situation. President Reagan approved my suggestion that we abandon good offices, discard the earlier draft agreements, and present an American proposal to Argentina and Britain. On April 25, Francis Pym arrived in Washington for two days of talks and told me that Mrs Thatcher was willing to try again.

AT THE State Department we had produced a proposal that called for an eventual negotiated transfer of sovereignty, but preserved the basic British position by providing for free choice by the islanders as to whether they would be associated with one or the other of the parties, opt for independence,

or even accept compensation for leaving the Falklands.

It was my plan to present this draft to Pym, negotiate down to the British bottom line, and then pass the proposal on to the Argentines. However, before I had an opportunity to discuss the substance of the paper with the British Foreign Secretary, Bill Clark [National Security Adviser] confided its details to him at a breakfast meeting. Pym told me that Mrs Thatcher would not be able to accept the American draft.

Nevertheless, Mrs Thatcher, after considering our draft, very reluctantly agreed that the United States might put it forward to Argentina. Her action did not imply acceptance of all of its provisions, but it showed again that Britain was prepared, as she had been from the start, to negotiate a settlement as long as the islanders were given the opportunity of deciding their own future. Once again, we had a reasonable alternative to useless bloodshed—and once again, its fate was in the hands of the Argentines.

Costa Mendez, who was now in Washington, had told me that the Argentines would withdraw from negotiations should the British attack South Georgia. Again, I told him that while British military action appeared to be imminent, there was nothing the United States could do to stop it.

On April 25, the day Costa Mendez had planned a meeting to discuss the American proposal, British forces invaded South Georgia. Costa Mendez phoned me to cancel the meeting. Argentina, he said, was in a state of shock. "You warned of British action," he said. "But we didn't believe it." Argentina, Costa Mendez added, was

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considering taking the conflict to the UN. He said he would call me again at nine the following morning.

The next day, while awaiting Costa Mendez's call, I heard from Francis Pym. New ideas were coming from Britain, he told me. I drove through a soaking rain to the headquarters of the Organisation of American States, which had convened a meeting of Foreign Ministers to consider the Falklands question. My speech, a reiteration of the position I had stated on so many occasions in Buenos Aires and elsewhere—that the rule of law, not the rule of force, must govern international conduct—was greeted by stony silence.

Afterward, I met Costa Mendez, telling him that within 48 hours, the British would almost certainly strike again, bombarding airfields, launching commando raids.

"We have no more time," I said. "The American proposal is fair and reasonable. If necessary, we will go public with it and let the world judge why these negotiations have produced no result."

In Costa Mendez I sensed a reluctance to forward the US proposal. He told me that there was a virulent anti-American and anti-Haig atmosphere building in the country and in the Junta. I offered to return to Buenos Aires and deliver the text to Galtieri and the Junta myself. Although I did not disclose the thought to Costa

Mendez, I believed that the British would not carry out further attacks if the American Secretary of State was in Argentina or en route.

I asked that the Junta inform me within 24 hours whether they could receive me. Costa Mendez promised to pass on the message, but as the hours passed, no reply came. On the telephone, Costa Mendez said that he was awaiting Galtieri's decision. As the deadline approached, we phoned the Argentine Embassy and were told that Costa Mendez was dining with the Ambassador and could not be disturbed. Finally, Costa Mendez informed me that his Government could not receive me in Buenos Aires at this time.

We were not certain that Costa Mendez had transmitted the American proposal to Galtieri. I instructed Ambassador Shlaudeman to deliver the draft to the Argentines. We asked that the Argentine Government inform the United States Government by midnight on April 27, Buenos Aires time, whether it could accept the agreement.

Galtieri, receiving this message, seemed to Shlaudeman to be tired but composed. He remarked that no one wanted war, but if Britain attacked, Argentina would resist with all her means. "I do not understand," he said wearily, "why the United States Government, with all its resources, cannot stop Mrs Thatcher from launching this attack."

MEANWHILE, Francis Pym informed me that he had (without prior consultation with the US Government) conceived a plan to convene an international conference on the Falklands crisis, possibly in Mexico City, under

the sponsorship of the Mexicans and perhaps some other Latin American States. This seemed to be the "new idea" from London that Pym had promised earlier. I was surprised by it because during an earlier discussion with Pym, he had assured me that he had had no contact with the Mexicans.

Now Pym told me that President Lopez Portillo had expressed an interest in being helpful. The British were prepared to offer to stop their task force and turn it back if the Argentines first withdrew from the Falklands, and to forgo sending back their governor while accepting an Argentine resident at Port Stanley to look after the interests of Argentines living on the islands, as well as other provisions, including a US guarantee of the security of the islands. The Argentines regarded this offer as surrender terms dictated by the British, other Latin American States looked upon it as an effort to manipulate opinion in the hemisphere, and Pym's plan came to naught.

Meanwhile, the deadline approached for the Junta's answer to the final draft delivered by Shlaudeman. Britain declared a total air and sea blockade for 200 miles around the Falklands, effective at 7 am on Friday, April 30. A steady flow of messages came from Buenos Aires, suggesting that the Junta was "favourably disposed" to the newest draft. It was impossible to know if the Junta was serious or if it was buying time.

We pressed for an answer. At 15 minutes to midnight, the Argentine Minister of the Interior telephoned from the Casa Rosada to say that his Government had not forgotten the time, but there was no answer yet; the Junta was still meeting. In Washington, Costa Mendez had stopped returning my telephone calls. As the deadline approached, I waited in vain with my staff in the office for word from Costa Mendez.

FINALLY, a telephone call to the Argentine Embassy produced the information that Costa Mendez, once again, was pointedly dining with the ambassador while we awaited his reply.

Then, on Thursday, long after the deadline and only hours before the blockade went into effect, Costa Mendez brought the Junta's reply to the Department of State: "Argentina's objective is the recognition of its sovereignty over the Malvinas... for us, [this] is an unrenounceable goal... The document that you sent falls short of Argentine demands and does not satisfy its minimum aspirations." Argentina could not accept a binding referendum among the inhabitants of the island on its future status.

War was now inevitable. The Argentine Government had simply been incapable of responding; now it would fall like a house of cards, with unforeseeable consequences. On April 30 I announced the breakdown of negotiations to the Press and stated that the United States would support Britain. We suspended military exports to Argentina and adopted a policy of responding favourably to British requests for military material.

The next day, May 1, the British bombed the airfield at Port Stanley. The following day, with hostilities raging, President Fernando Belaunde Terry of Peru telephoned me from Lima with the proposal that one final attempt be made to stop the fighting and find a peaceful solution. It was a Sunday, and he found me at home.

SPEAKING over an open line, we worked all day on a new draft. Belaunde believed that the proposals had become too complicated. "Simplify," he said, "and we can still do it." Finally, largely due to Belaunde's gift for clarification, we reduced the proposal to five simple points. He presented these to both sides and encountered, as he said "a certain obstinance" in the Argentines. Nevertheless, he gained acceptance in principle from both parties, and on May 4, sent an official of the Peruvian Foreign Ministry to

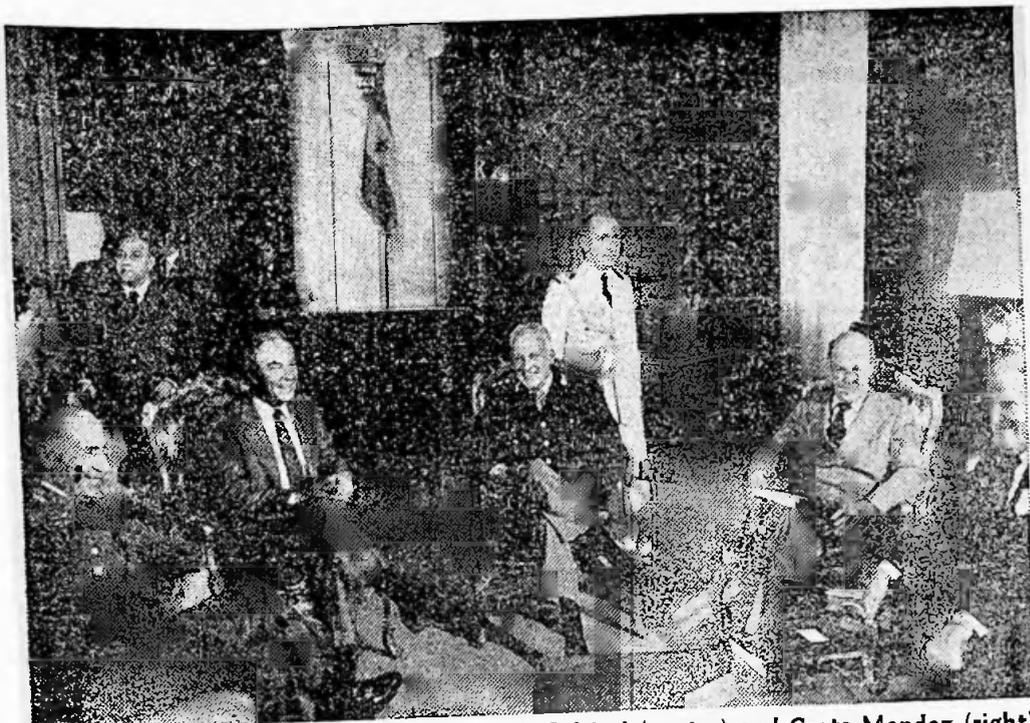
Buenos Aires with the new paper.

But while the Junta was in the act of considering it, the submarine HMS Conqueror sank the Argentinian cruiser General Belgrano outside the blockade zone. The submarine captain, acting on rules of engagement issued long before, deemed that the Belgrano, which was equipped with Exocet missiles and other armaments highly dangerous to British ships, was steaming in a threatening manner toward the British fleet.

Out of a crew of 1,042, 308 died. The early reports of casualties reaching the Junta were even more serious than this, and the Argentines, reacting angrily to the bad news, rejected the new peace proposal. Three days later, the British destroyer Sheffield was set on fire by a radar-seeking Exocet missile fired from an Argentine aircraft and abandoned with the loss of 20 lives.

During the negotiations, Galtieri had told me repeatedly that, in case of hostilities, he would be forced to accept the assistance, including munitions, that had been offered by the Cubans and the Soviets. It was important to turn him away from this action, if in fact he was seriously contemplating it. It was important, too, to see if the tragic events of the first days of fighting had created an opportunity to return to the peace process. In the second week of May, Dick Walters, US Ambassador-at-Large, flew secretly to Buenos Aires for a final talk with the Junta.

GALTIERI, in an elegiac mood, spoke of the loss of the Belgrano. After that, he said, Argentina had needed a success very badly. The Sheffield had been a considerable success. Walters responded; was it not possible to abandon fighting



negotiators in Buenos Aires: Haig with Galtieri (centre) and Costa Mendez (right)

and break through, now, with honour intact? Galtieri spoke again of sovereignty. "Hundreds have been killed," he said. "What can I tell my people they have gained by their sacrifices?"

Walters said that he did not know who would be the winner of the battle for the Malvinas, but the Soviet Union would be the only winner in this war. After a pause, Galtieri said, "I agree." He would seek help, he said, but not at the price of letting the Soviets have any say in Argentina.

The Soviets, said Lami Dozo, were "offering military equipment and assistance at low prices—but money is only part of the price, and Argentina will never pay that price." "No matter what happens," Admiral Anaya said, "I will never, repeat never, turn to the Soviet Union. It would betray everything for which I stand." Anaya spoke of his dead sailors and of his long friendship with Galtieri; they had been comrades since the age of 12.

But there was no hope of saving the situation. It was already irretrievably lost, and so were the men who had created it. Nevertheless, Walters, as always, had performed brilliantly and bravely; his mission eliminated any possibility that the desperate leaders of Argentina would collaborate in their last moments with the Soviet Union.

Three and a half weeks after British troops went ashore in the Falklands, the Argentine defenders, cut off from supplies and faced with a better-trained and better-led force, surrendered.

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IN ONE SENSE, nothing has changed. At Government House, on the outskirts of Stanley, Rex Hunt still bustles about, dispensing his authority with a benign paternalism appropriate to Britain's smallest colony. His wife, Mavis, still does the cooking, and greets even casual visitors with the offer of a majestic gin and tonic. As always, the Hunts insist that their guests enjoy the couple's latest holiday snap-shots from Antarctica.

This impression of business as usual is, however, misleading. Sir Rex, knighted for his stubborn resistance of the Argentinian invasion, but demoted from governor to civil commissioner, now has to share power with a military commissioner. They meet formally once a month as members of the 12-man joint liaison committee - dubbed, inevitably, "the junta" - which, in practice, runs the island. The constitutional arrangement is unique in British colonial history. It is not a happy one.

In part, this is because Sir Rex and his military counterpart, Major-General Keith Spacie, do not get on; according to the local consensus, they are "at daggers drawn." That is also true of Mavis Hunt and Valerie Spacie - or "that woman," as Lady Hunt describes the general's wife. More important, the junta does not work.

The military, who dominate it, are very happy. They believe that the Fortress Falklands policy is providing a training paradise. "We are a very long way from home, there are no friendly countries in the region from which re-supply can be organised, and there is no internal infrastructure on the islands," says the deputy chief of staff, Colonel Alan Swann. "It is a very wonderful testing-ground."

The army, navy and RAF are, of necessity, working closer together than at any time since 1945. They have 31 live firing ranges and hardly anyone to complain about the noise. They have the whole of Falklands Sound to practise supersonic dogfights. "You couldn't do the things we do here anywhere in western Europe," says Wing Commander Mike Elsam, in charge of the Phantom squadron.

The "uncertainty factor" - Argentina has not yet declared a cessation of hostilities - keeps the men on their toes. In Spacie's words: "From a military point of

view, the Falklands is a challenging, interesting and stimulating environment."

Other key members of the junta have a more jaundiced view. For the two senior men from Whitehall - one from the ministry of defence, one from the foreign office - the year-long posting to the Falklands is the worst in the world. George Brown, the MoD official attached to military headquarters as command secretary, dreams of London, or anywhere else he could, at least, get his suits dry-cleaned. Since there are no facilities for this, he, like everybody else, has to send his clothes back to London. "The isolation get to you," he admits.

Professionally, Brown's problem is that, as well as arbitrating in claims for war damage compensation, his job is to referee disputes between the military and the civilian population. These relations, always highly sensitive, are beginning to deteriorate. In an attempt to minimise conflicts, General Spacie has moved most of his 4,000 men away from Stanley and the farm settlements to separate camps.

Unfortunately, this has made matters worse. According to a senior official on the islands, "he has turned an amicable separation into an acrimonious divorce."

Equally tricky are the difficulties facing Reg Williams, who sits on the junta as the head of the seven-strong foreign office team in Stanley. He has to ensure that no initiative from the locally elected body, the Falkland Islands Council - such as its demand for a 200-mile exclusive fishing zone - undermines the necessity of eventually resuming relations with Argentina. At the same time, he has to convince the islanders that this does not mean the foreign office still wants to abandon the Falklands. The pledges he delivers from Whitehall are not totally convincing. As one local VIP puts it: "It is very difficult getting anything concrete from London. They always say they will consult us on the future; on the other hand they will never be specific."

There is no doubt about the personal commitment of the prime minister, Mrs Thatcher - she said at a recent Downing Street cocktail party that the garrison would remain "for a thousand years if necessary." And vast amounts of

money are being spent - more than £1 billion a year for the military operation, plus £31m over the next six years for development and £15m for rehabilitation.

But there are increasing conflicts between creating an impregnable fortress, maintaining some semblance of the Falklands way of life, which the islanders cherish, and developing the islands as a viable economic community.

The strains of balancing these forces within the junta are showing on the face of Sir Rex. His face is tanned from his recent holiday in the Antarctic summer, but it is lined and drawn. Although he would not dream of saying so, he is exhausted.

In July, he will be 58 and is due to be replaced. Members of the island council want him to stay. Last month, they petitioned Mrs Thatcher to re-appoint him. They will almost certainly not succeed. The betting is that Hunt will retire. "Mavis certainly wants to go," said a source in Port Stanley. "She misses the social life back home and it is an open secret that she wanted to leave at the time of the invasion. Whitehall had to bring him back in 1982 to convince the islanders they were serious about the place. Now I think they'll let him go. That's what he wants."

TWO WEEKS ago Simon Powell, a 29-year-old former public schoolboy from Wiltshire, married his English girl friend, Sarah Railton, in Stanley cathedral. Powell's morning suit and Sarah's full-length white gown were flown in from London by the RAF. Military trumpeters played a fanfare outside the church. Afterwards, the entire Falklands establishment - military and

an army band and champagne at Government House.

The reason for all of the attention was that Powell is the sole example of successful "economic development" on the Falklands since the war. He sells mutton-burgers from a one-room, 20ft square shop, on John Street, mainly to the troops. He started from nothing six months ago, now employs six locals and one expatriot, and is taking £1,200 a week.

He has now branched out into renting motorcycles. He has 22 bikes which he lets out at £15 a day to soldiers who hire them on Sundays for picnics on Mount Tumbledown, Mount Longdon and the other battlefields. If they want to go further afield, he gives them two-way radios and survival kits which he gets from military headquarters.

Powell has an informal arrangement with the local police whereby men who do not have a motorcycle licence can ride a machine along the harbour front from the police station to the old war memorial - a distance of perhaps 200 yards - and back again. If they do not fall off, they get a provisional licence, and can take to the hills.

Nobody else has achieved anything like his success. A couple from Barnsley, south Yorkshire, have opened a fish-and-chip shop selling local mullet, but they cannot get enough potatoes for the chips. A local schoolteacher has started a brewery, but his prices have been undercut by the NAAFI.

Despite the fact that the island population has quadrupled since

the war, there is still no dry-cleaners', no hairdressers', no laundry, no garage and no electrical repair shop.

Until two weeks ago, there was not even a bakery. The army had to ship in two veteran ovens - manufactured in 1926, captured by Rommel in the western desert, ceremoniously presented back at the end of the war, and put into a military museum. There is a bakery now - but only because Powell has started one.

The main reason why the Falklands is not booming is the acute shortage of manpower. Everyone has at least one job and in Stanley many have two: the only carpenter on the island, for example, is also the coffin-maker; the only mason also makes headstones for the graves and tends the cemetery.

In theory, the problem could be solved by immigration, and for the first time since 1931 the downward trend in the population has been reversed: in the last year, 30 more people have arrived on the islands than have left them. Another 800 want to go from Britain. But there are no houses for them to live in - and a modest enough housing programme which should have given Stanley 12 new houses a year has become bogged down in bureaucracy.

"Everything about development has to be approved by Whitehall," said one local government official. "It all takes far too long. We need the investment, and the houses, yesterday."

Since the war, the only new accommodation to appear in Stanley is 27 prefabricated houses, shipped out from England at a cost of £133,000 each. They have provoked local resentment be-

cause they are eyesores; the rents are so high only government officials and locals subsidised by the government can afford to live in them; and, with 27 more due to arrive, they will have eaten up almost half of the £15m rehabilitation budget.

In contrast, the £31m development is being handed out by the Falkland Islands Development Corporation with great caution. Powell borrowed the money to start his enterprises from Lloyds bank rather than the corporation because "they were going to take an inordinate amount of time processing everything, and I wanted to get on with it."

He has now been given £7,000 to help him start the bakery - but only because he has proved he can make money. Des King, the owner of the islands' only hotel, the Upland Goose, is fed up with the delays in getting a £100,000 grant to build 10 badly needed new bedrooms. He has been told by the development corporation's chief executive, David Taylor that it is "a lot of money," and that he should be "patient."

The caution is understandable for the truth is that, as things stand, no amount of money can bring economic growth to the islands. The development corporation is considering a host of projects - from salmon ranching to deep-sea fishing - but Taylor, admitted to the house of commons foreign affairs select committee this month that "the chance of most projects being immediately profitable is very small."

The Falklands' only basic assets are the 650,000 sheep on the islands. But last year the wool price on the world market fell to

an all-time low of £1.53 a kilo, while the costs of transporting the wool 8,000 miles to Britain continued to rise. There is no market for the meat; the islanders cannot export it because there are no freezing facilities on the islands; and they cannot sell it to the troops, because the only abattoir does not meet EEC standards. Every year, the Falklanders have to throw 20,000 sheep carcasses into the sea.

Some experts are pinning their hopes on high technology. A London firm of accountants is currently advising the government in Stanley on how to computerise its accounting system, and a £2m satellite system now provides instant communications with the outside world. But the people who gain most from the satellite link are the troops and contract workers telephoning home. Without trading relations with the Falklands' neighbours - which means, principally, Argentina - the computers will have nothing to calculate but British subsidies.

"We are in a circle that we cannot square," said a government official in Stanley. "We have no labour and no high technology of our own. We need money to get high technology. But we can't get any money because nobody wants to buy the one thing that we have to sell. To the outside world, we are a joke. It's Thomas Hardy-land - with telephones."

BUT IF civilians have been slow or unable to grasp the opportunities thrown up by the Fortress Falklands policy, the military men most certainly have not. The Falklands must be the most heavily defended piece of moorland in the world.

Three huge and powerful radar stations - codenamed Zeus, Tantara and Shepherd - scan the skies from mountaintop positions; two smaller units ensure that no activity at sea-level escapes detection. Lookout posts, manned by five soldiers, are dotted across the hills.

The frontline begins at San Carlos, where the British mounted their invasion two years ago. About 1,200 men live in Portakabins, protected by an arc of Rapier batteries. The disused meat processing plant at Ajax Bay, used by the invading British as a hospital, is now a huge ammunition dump. Across the bay, at Port San Carlos, there are six Chinook helicopters and behind them on the hills, a battery of 14 105mm guns.

But the biggest military concentration is around the old airport at Stanley, re-named RAF Stanley (without the islanders' consent). On the runway, three Hercules transport planes jostle for parking space with four Harriers, nine Phantoms and three transport helicopters. More Rapiers protect the land and sea approaches to the airstrip. Most of the 3,000 Stanley garrison live on three "coasties", floating hotels just off-shore.

Officers keep the men working up to 12 hours a day, six days a week, partly to keep them out of trouble, partly because there is a lot to do. Some 1,200 engineers have just completed a programme of road building and construction work to strengthen the Portakabin colonies in preparation for the vicious Falklands winter.

The road into Stanley is awash with military traffic. On either side, is scattered the debris of construction sites employing more than 1,000 civilian workers. A vast container park - known as "tin strip" - stretches away to the Stanley shoreline and the fuel dump with its tanks for 300,000 gallons of petrol. Working round the clock, fork-lifts unload yet more containers on Bravo Slip, the temporary military jetty, and dump them a few feet from the front gardens of Stanley houses.

The garrison is in a high and constant state of readiness. The Rapier battery crews are on five minutes' standby; on the airfield two Phantoms are kept with engines warmed up 24 hours a day. General Spacie regularly calls snap emergency exercises in the middle of the night, and armed soldiers appear at every key building in Stanley.

The military's greatest fear is of what one senior officer called "a maverick group of disgruntled Argentinian generals who want to de-stabilise President Alfonsin". Alternatively the threat could come from hardened nationalists, seeking a propaganda victory by planting the Argentine flag on a deserted outcrop.

General Spacie says he likes what he calls the uncertainty factor. "It keeps us on our toes," he says. And there is no doubt that the military have built an efficient and impressive fortress. The question is: at what cost? Not only in cash terms, but in the toll it takes on Britain's strategic defence.

GETTING real answers to those questions is a task that has so far defeated a battery of Tory and Labour MPs, led by the indefatigable Tom Dalyell. Since the war, they have tabled more than 200 parliamentary questions about the costs of the Fortress Falklands policy. The ministry of defence, the foreign office and

the overseas development administration, have avoided answering most of them.

"What did the government pay North Sea Ferries for the vessel Norland running between Ascension Island and the Falklands?" Dalyell asked last January. John Stanley, the minister of state for the armed forces replied that the chartering fee was commercially confidential and, anyway, "information on costs incurred by the ministry of defence in respect of a requisitioned vessel, over and above those paid to the owner, are not available in the form requested as these costs are not in all respects attributable to individual vessels." Dalyell pressed on for information on nine other chartered ships, and each time received identical answers.

What was the cost of air defence of the Falklands in 1983/84? Answer: "Air defence is the responsibility of various elements of the garrison. It is not practicable to separate the cost of this function from that of their other roles."

Even a simple request for the cost of feeding civilian workers building a new airfield on East Falkland got short shrift, from the intractable ministry of defence: "The provision of catering facilities for the work force is the responsibility of the contractor. The cost is contained within the price agreed for the contract as a whole, and it is

not practice to disclose rates for particular components of work."

So, all that MPs have got for their pains are blanket figures. The government says that Fortress Falklands will cost £1,860m over three years - £624m in the past financial year, £684m this year, and £552m next year. These figures cover the extra costs of maintaining the forces in the Falklands, rather than in the UK, the cost of the new airfield and barracks to house 3,000 men, and transportation of the troops to the Falklands. They also include the cost of replacing equipment lost during the war.

But they are only estimates - and highly suspect ones. As one MP, Willie Hamilton, pointed out in a parliamentary debate at the end of last year, the "mind-numbing figures" do not take account of inflation, and no element is included for the increase in the rate of depreciation of aircraft, ships and other equipment "through intensive use in appalling weather conditions".

The government figures also include a lot of guesswork. For example, nobody really knows how much extra fuel the navy will use. As one senior naval adviser put it to The Sunday Times: "I'm not sure how much the fuel will cost - tens of millions, 30, 40, 50 million a year?"

Where the government has revealed specific costs, the

figures appear to be set deliberately low. The cost per flight of the airbridge between Ascension Island and the Falklands is officially given as £110,000. Even at that it adds up to more than £50m in the past two years. But last autumn, when a house of commons select committee flew to Stanley from Ascension Island their RAF pilot told committee members that the cost of sending one Hercules to the Falklands was more than £300,000 in fuel alone.

The government has also ignored two other key elements. One is the cost of new equipment such as the six Tristars it has bought to replace the aging Victor tankers which refuel the Hercules transport planes on the airbridge. The second is the cost of not selling (or retiring) some ships.

If these costs are added (plus those for inflation and depreciation) the price of Fortress Falklands rises to more than £3m a day.

This is nearly 7% of

BRITAIN is spending £1 million a day in the Falkland Islands to ensure that time stands still. No one knows which way to move, so no one moves at all.

There is no more talk of a new beginning: instead they talk of how to slow a decline which saw the colony's gross domestic product slump by 25 per cent in the years before the Argentine invasion. The Falklands were dying even before that cataclysmic day two years ago—and all the signs are that they are dying still.

The money pouring in from the British tax-payer is equivalent to £240,000 per islander per year. Yet as one travels around this tiny collection of islets and waterways, inhabited by fewer than 2,000 humans and half a million sheep, it is hard to see where the money is going. Only in two places is there any activity: on the strip of land known as the Canache between Port Stanley and the old airport, where more than 3,000 troops are based; and down at Mount Pleasant where 700 imported workmen are building the £215 million new airport. Everywhere else life continues exactly as before, a rural, farming existence in a world which has moved on.

It was at Fox Bay East, a picturesque little community of white-painted houses on West Falkland, that I found one tiny glimmer of hope for the future. Although it is difficult to imagine this remote settlement as the future centre of a mini-industrial boom, it is here that Richard and Grizelda Cockwell hope to light the spark that will lead eventually to the Falklands' very own industrial revolution.

20 years, Richard was manager of the 150,000-acre farm which surrounds the settlement. Now, this 45-year-old, Hampshire-born farmer is launching himself into a new venture: the Falklands Mill, destined to be the islands' first industrial enterprise.

The Cockwells are being portrayed as trail-blazing industrialists on whose success depends the future of the islands. They have sunk £40,000 of their own money into a project which they hope will prove, once and for all, that it is possible to invest in the Falklands and make a go of it. If they fail, or so it is being said, the hopes of this beleaguered 1,813-strong community will slowly but surely die.

With help from a £130,000 Government loan, they hope by the end of this year to be selling Falklands-produced woollens, including hats to be marketed as 'Bennies' after the derogatory name for the islanders used by the troops and now proudly adopted by the local inhabitants. (In retaliation, the locals have named the soldiers 'wenneyes' after their constant references to past exploits: 'When I was in Belize, when I was in Cyprus...')

The Falklands live from wool. But all they do is export it, in its raw state, to Britain. Until the Cockwells, no one had thought of trying to process and manufacture it on the spot. Everyone admires Richard and Grizelda, everyone hopes they will succeed. For if they don't, the fear is that no one will ever try anything innovative in the Falklands again.

'The Falklands have been in limbo for too long,' said Richard. 'It's up to us to sort things out for ourselves. I'm disappointed at how little people here are actually doing. It's no good complaining that "they" (the Government) aren't doing enough — *we* are the people who must do things.'

He dreams of the day when their mill will be the centre of a thriving little community turning out all manner of cottage industry products. 'We have our own jetty, there are 10 houses already here for people to live in, and there's far more room to expand than there is at Port Stanley.'

Falklanders are not natural entrepreneurs: the islands will never become the Taiwan of the South Atlantic. They lack, moreover, some rather important basic resources: people, roads, houses, mains electricity. Port Stanley, the capital, has no bakery, no dairy, no shoe repairer, no laundry. There are no adequate port facilities. It is a daunting prospect for even the most intrepid investor.

Simon Powell, otherwise known as 'Mr Muttonburger,' is more intrepid than most. Like the Cockwells, he is an expansionist. Unlike them, he has not been in the Falklands long (he arrived last year) and he probably won't stay long either. He is a public school-educated 29-year-old in search of adventure and profits who has turned his considerable energy to great advantage by establishing Stanley's only muttonburger takeaway, offering over-size burgers at £1.60 a time.

Chronic shortage of labour

He also rents out motorcycles at £15 a day to off-duty soldiers looking for something to do, is about to open the town's first bakery and is talking about starting up its first restaurant. The locals watch him with open admiration, even though they are unlikely to buy many of his loaves at £1.90 each. But even Simon Powell talks of his frustration at what he calls the 'Falklands factor' — the sheer difficulty of trying to achieve anything on a tiny island in the middle of the ocean 8,000 miles from the nearest suppliers.

Contrary to expectations, the presence of 4,000 hungry young soldiers on the Falklands has had a negligible effect on the local economy. Every potato, every apple and every chunk of cheese is shipped in from Britain; nothing is bought locally. A limited experiment was tried earlier this year by the Army's master butcher, John Seatree, who bought 100 carefully selected local sheep to be slaughtered for mutton. The meat was judged acceptable (although soldiers are not apparently over-fond of mutton in general)

and the experiment may be repeated. The price paid for the meat, however, which was calculated at what a farmer could have expected to obtain from two more years of wool sales from each sheep, meant that the local mutton turned out to be more expensive than imported New Zealand lamb.

The Army believes its best policy is to try to keep its men as much out of sight of the locals as possible. Fewer than 70 soldiers are left in Port Stanley itself, the rest living in three vast 'coastels,' floating hostels made up of tiny cabins housing four men each, moored in the harbour between the town and the airport.

'We must be careful not to overwhelm the local community,' says the British forces commander, Major-General Keith Spacie. 'They must not become dependent on us. The military could be a stimulus to the local economy in some respects, but we must take care that we don't wreck it. We have about 300 jobs which at the moment are being performed by our own soldiers but which could, in theory, be carried out by civilians.'

But which civilians? The Falklands are one of the few places on earth where there is a chronic shortage of labour. In Port Stanley itself, many of the residents are either retired or working for the Government. In the countryside, they are kept busy looking after the sheep.

Immigration isn't much of a solution, simply because there are no houses for the newcomers to live in. The only new houses to have been built in Stanley since the end of the war are the 54 notorious Brewster houses, which cost £133,000 each to put up and are now regarded as an embarrassing extravagance.

Apart from the never-ending construction endeavours of the Army's Royal Engineers, it is at the site of the new airport at Mount Pleasant that one can observe the only really intense activity on the islands. Thirty kilometres of roads have been specially built for the contractors' lorries, and at certain times of day there are even traffic jams — a phenomenon hitherto quite unknown in this part of the world. By this time next year, the airport work-force will have reached 1,500, effectively doubling the islands' population, and their accommodation site will be home to more people (and, incidentally, boast considerably better facilities) than Port Stanley itself.

Although the early site workers had to live in appallingly cramped conditions, squeezing eight men into each prefabricated hut (as many still do), the new accommodation blocks look a lot better. With only two men per cabin, they even have carpets on the floors, which on a site as muddy as Mount Pleasant may not be such a good idea. But there are still no canteen facilities at the new accommodation site, and the men living there have to be transported by bus to the aptly named 'Pioneer Camp' down by the improvised jetty-head for all their meals.

The 8,300-acre site was purchased from the Falkland Islands Company for a sum considerably greater than its normal market value. The current controversy over the deal is only the latest of many occasions on which the company has found itself attracting criticism for its quasi-monopoly position on the islands, where it owns nearly half the land.

Britain's defence budget. It is true that the figure will decrease as the new airport at Mount Pleasant is completed. The costly air bridge will not be needed and, since the airport will also allow rapid reinforcement of the islands by the Tristars in a crisis, the garrison can be reduced probably to about 3,000.

But the navy will still have to patrol the Falklands protection zone and that raises the question of the strategic cost of Fortress Falklands to Britain's defence and her Nato

commitment. More than 25% of the navy's entire destroyer and frigate fleet is committed to the Falklands either on patrol or in transit - at any one time and they represent up to half of the navy's modern ships.

Lord Lewin, who was chief of defence staff and one of Mrs Thatcher's closest advisors during the Falklands campaign, (he is now retired) says: "For many years,

even in people in Nato, particularly in the UK and the US, have been very worried that the Nato area is limited by the boundary of the tropics. The Soviet Union has global capability, a threat which applies all over the world and not just in the Nato area of operations. Now there is a stream of aircraft and ships coming and going the length of the south Atlantic, showing the Russians that we are active there. It's a very important lifeline. Nato ought to be pleased."

But one of his predecessor as defence chief, Field Marshall Lord Carver says: "Nobody sensible in the British armed forces wants to see the commitment to Fortress Falklands go on for a long time." He is contemptuous of the view that it's good for Nato, or anybody: "It's absurd for us to be committed to defend an island that we can only approach by refuelling several times in mid-air. It would be considered completely out of proportion at any other time."

Whoever is right, there is no doubt that the navy is beginning to feel the strain. One senior naval officer on the Falklands said: "Our problem is that it takes three weeks to reinforce our naval assets and we have 66,000 square miles of sea to look after. We also have to worry about one of the most complicated coastlines in the world."

Strategically, the navy is badly stretched by this deployment. There is pressure on us to patrol other parts of the world. The naval budget was simply not calculated on the basis that we would need to maintain a long-term presence down here. The assets are simply there: we don't have enough people or hulls. It is simply not the sort of thing we thought we were going to be doing three years ago."

ANOTHER cost of the fortress, is its massive impact on island life, and there are disturbing signs that the honeymoon between the military and civilians is coming to an end. Though the posting is limited to four months to prevent boredom, some specialist units - Phantom pilots, Rapier operators and the like - are already on their second or third tour of duty, and military chiefs fear that,

as these numbers grow, so will unrest among the soldiers.

At the hospital and the radio station in Stanley, where the army works check-by-jewel with the civilian staff, relationships are strained. Patrick Watts, the local broadcaster who kept up a running phone-in during the Argentine invasion, is looking for another job. The senior doctor, Alison Bleaney, is unlikely to return to the islands when her summer leave is over.

Islanders have put up with being called "Bennys" (after the dim-witted character in Crossroads) by the troops for two years. But they bitterly resent their new nickname, "Bubs" (bloody ungrateful bastards). They see nothing to be grateful for. They now refer to officers as "Sloane majors" and soldiers as "Whenis" (on the basis that every conversation seems to start: "When I was in Belfast/Cyprus/Germany...") The latest sticker to appear in Stanley carries the slogan: "Outnumbered but not outsmarted."

Above all, there is growing bitterness at the snail-pace of economic development, and at the way in which money from Britain has been allocated. Rumours abound that much of the £3m paid out in war damage compensation has gone to farmers for non-existent losses - for example, for sheep they sold to Argentinian troops. In addition, small landowners complain that, while they have had land taken from them for the road to the new airfield, the Falkland Island Company has been paid up to £250,000 for the land for the airfield itself.

There are islanders who still cling to hopes of an economic miracle, perhaps through the development of fishing and tourism. But, without an exclusion zone, the Falklands will get precious little benefit from fishing.

The £200,000 paid by the development corporation for a feasibility study on this has gone to a Japanese company. As for tourism, no airline is seriously contemplating beginning commercial flights when the new airfield is completed - at a cost of £200m - next year. As George Foulkes, one member of the commons

select committee which visited the islands last year says: "There's nothing to see unless you're a birdwatcher, nothing to do except hill-walking. The idea of flying in jumbo jets of tourists is cloud-cuckoo land."

Without relations with Argentina and the rest of South America, or massive subsidy from the British taxpayer, the Falklands is not economically viable - as at least some officials now privately admit.

One disillusioned official compares the Falklands to a Klondike town that has had its day: "Economic history has passed them by. If this was anywhere else in the world, people would simply get in their cars and go off somewhere else to make a living. But down here, there are no cars. And there is nowhere to go."

It has been widely criticised for what is regarded at its low-key local management (the company's managing director, Mr David Britton, operates from London) and for its modest investment record. The company is, however, recognised as a decent employer which maintains its farms well and provides adequately for its employees and their families. At Goose Green, for example, where an 80-strong community looks after the company's 106,000 sheep, it is currently building a new school building for the settlement's 18 children.

Its primary interest, nevertheless, is to safeguard the investment of its shareholders. They don't get much of a return on sheep-farming these days, which has long ceased to be a very profitable undertaking, and the company does not regard itself as anything remotely resembling a charitable institution. The Falkland Islands Company is part of the Derbyshire-based Coalite Group, to which it contributes a minuscule 1 per cent of annual profits.

Nor is the company over-keen on the recommendation of the Shackleton Report that it should encourage its farm managers to buy land and split their giant holdings into smaller units. Its preference is for what it calls 'farm-sharing,' a scheme under which it retains ownership of its land but withdraws the farm manager's salary and offers a share in the profits. This, it argues, gives the manager a personal stake in the farm's performance without having to make a substantial capital investment of his own.

It is not an idea which finds much favour with civil commissioner Sir Rex Hunt, the ebullient 'Mr Falklands' whose enthusiastic espousal of the islanders' cause is now causing problems for him with his Foreign Office employers back in London. 'I would much rather see more people owning their own farms,' he says. 'Next best is leasing, and third best is farm-sharing. The Falkland Islands Company are good employers, but it is not desirable in this day and age for one

company to own 43 per cent of the land.'

Inevitably, most of the talk on the islands these days is of the future. What is the Foreign Office up to? How long will Argentina's President Alfonsín last? And most important of all, what will happen if Mrs Thatcher loses the next election? (There can't be many British trades union offices which proudly display a signed photograph of the Prime Minister, but in Stanley she is spoken of by everyone, including union officials, with admiration bordering on idolatry.)

David Taylor, the new chief executive of the Falklands Government who arrived at the end of last year on a three-year secondment from Booker-McConnell, admits that the

islands' future is a cloudy one. 'I cannot say that I have any clear vision of what this place will be like in 10 years' time,' he said. 'Nor does anyone else. One of my roles is to get people to think long-term. Broadly speaking, I do not see my role as encouraging a lot of new activity: my hope is that those people here who are enterprising will have an opportunity to develop that enterprise.'

What no one really knows is whether enough such people exist. In 1982, when Lord Shackleton revised his earlier report on the economic prospects for the islands, he concluded baldly: 'The internal economy of the Falklands is in grave danger of collapsing in the next five years or so without continued support and/or

development.' He recommended, among other things, research into the possibility of developing a locally based fishing industry — and the first, very tentative moves are now being made in that direction.

'We presume,' said the Shackleton report, 'that as a planning objective, a Falklands community with 1,000 or less, defended by a garrison of 3,000 or more, surviving economically principally because of income from stamps (which provide nearly a quarter of the Government's annual revenue) is unacceptable.' Put as bluntly as that, it is hard to quarrel with his assessment.

The Falklanders themselves insist that all they want is to remain British. But the Union Flag fluttering over Govern-

ment House does not guarantee economic survival. They know that they will not each receive £¼ million annually for ever.

There is a painful Catch 22 at the centre of the Falklands conundrum. There is no future for the islands without links to the South American mainland; there can be no such links until a diplomatic settlement is reached with Argentina; no such settlement can be reached until Britain agrees to unconditional negotiations (which will necessarily include the question of sovereignty). To remain British at all costs may mean, for the islanders themselves, to decay British.

This was known and recognised in London until 2 April 1982: it must surely be recognised again now.

Negotiate with Alfonsin now!

Britain's Falklands victory prevented aggression and precipitated a democratic Government in Argentina. A secure future for the Falkland islanders can only be achieved by negotiating, without strings, now.

THE LONGER the present situation in the Falklands lasts the more dangerous and the more intolerable it becomes. Dangerous because the men, the ships and the aircraft now deployed in the South Atlantic are urgently needed for the "conventional" defence of these islands, thus raising the famous "nuclear threshold": intolerable because the £1 billion or so now devoted annually to the maintenance of a "Fortress Falklands" represents a totally unacceptable drain on our already strained financial resources. How can this situation, then, be changed? Only by successfully negotiating with the new Argentine Government.

This should not be difficult. Our victory in the war was a double one: it demonstrated that flagrant aggression, duly condemned by the United Nations, did not pay, and it occasioned the replacement of an evil Junta by a democratic, liberal regime well disposed towards the United Kingdom. The thing now is to make sure that the excellent President Alfonsin, in spite of grave economic difficulties for which he is in no way to blame, retains his hold on the country and embarks, with us, on some new and hopeful scheme for the peaceful development of the whole area — including the uninhabited island of South Georgia — for the benefit of all concerned, and notably the Falkland Islanders.

How do we get there? By starting negotiations without delay with this broad objective constantly in mind. Of course such negotiations could only begin when the Argentine Government have declared that, with a state of war no longer existing, they have no intention whatever of again resorting to force to further their claim to "sovereignty", and, in return, we, while maintaining a small garrison, have abolished the "exclusion zone" and allowed trade to flow freely. Of course such negotiations would, in the initial stages, be confined to problems

resulting from the war and the resumption of diplomatic relations. Then they should go on to consider the best ways of arriving at full economic cooperation. But — and this is the essential point — it should be agreed *here and now* that there would eventually also be talks on the political future of the Islands. For without such an assurance it would be difficult — perhaps impossible politically — for President Alfonsin to agree to take part in negotiations and in any case his position at home might be seriously weakened. Why?

The fact is that, whereas we (no doubt rightly) regard British "sovereignty" as established by "prescription", that is to say by the fact that the islands have been peopled uniquely by persons of British stock and administered by the United Kingdom for some 150 years, the Argentines have always (very broadly) held that, since they are legal successors to the previous owners, Spain, the "Malvinas" belong to them. This claim may well not be legally valid — though no Court has, I believe, ever pronounced on it — but it is, at least, a national myth accepted by every Argentine, and generally supported by the Latin American states and a large majority in the United Nations, including some of our closest allies. For the last 40 years or so it became increasingly obvious — at least to the Foreign Office — that it was essential to arrive at some compromise solution of this difficult issue which would at once safeguard the legitimate interests of the Islanders and relieve the Metropolis of the need to subsidise and protect the latter — an obligation which is now running at the rate of about £400,000 *per annum* per head.

Early in 1981, the demands of such a compromise were brought back from talks in the Islands by the present Minister of Transport, Mr Nicolas Ridley. These embodied the idea of a "lease-

back" whereby, in principle, Britain conceded "sovereignty" to the Argentine which was to "lease it back" to us for a period of (say) 30 years, during which period the British "way of life" would be fully preserved and even at the end of which there would be an assurance of some form of local autonomy. Unfortunately, such a solution — though it seems to have been more or less acceptable to Mrs Thatcher's Government of the day — was rejected by the "Falklands Lobby" in the House of Commons and war soon followed. There is every reason, however, to suppose that something on these lines — even if it could not have been accepted by the Junta — would be acceptable to President Alfonsin and no reason to suppose that it would be contrary to the long-term interests of the Islanders, any of whom preferred to live elsewhere in the year 2014 being assured of ample compensation for himself and his family.

Naturally, there are many other possible compromises, such as condominium, trusteeship (at present recommended by the Bow Group), partition, all of which ought to be debated, though "lease-back" is probably the most sensible and the easiest to arrange. But whatever solution is preferred one thing is certain: the Government must say that, once the preliminary conditions are fulfilled, they would be prepared to enter into *negotiations from which the political future of the Falkland Islands would not be excluded*. It is as simple as that.

If Mrs Thatcher continues to set her face against such a move, then those members of the Cabinet who favour it, or something like it, should have the courage to resign. Or why not leave a decision on such an outstanding national issue to a free vote in the House of Commons when the good sense of the British people would prevail? ■

Lord Gladwyn

Belgrano: the Truth

A new book states the PM knew she was sailing back to port with no intention of attacking

IN ISSUES 3 and 5 of *New Democrat* articles by Tam Dalyell and myself stated that the Prime Minister knew the *Belgrano* was returning to port and that the Peruvian peace proposals rendered extremely probable a peaceful solution of the dispute with Argentina over the Falklands at the moment the *Belgrano* was sunk.

Margaret Thatcher denies these facts and reacted in a strange manner at the election press conferences to such charges although she was supremely confident and fluent on every other issue.

Now a new book by Arthur Gavshon and Desmond Rice (*The Sinking of the Belgrano*, Secker and Warburg, £8.95) adds important new gravitas to these charges against the Prime Minister and spotlights how contradictions in Cabinet Ministers' and service chiefs' statements add enormously to the validity of the demand by David Steel and the Labour Party for an enquiry. Indeed the *Belgrano* could prove to be Margaret Thatcher's downfall, and how much more fruitful would be the efforts of that inept politician Peter Shore if he concentrated on the Falklands and the *Belgrano* instead of stirring up mud about the activities of Mark Thatcher. The business affairs of the Prime Minister's son are *not* her responsibility — sending many young men to their graves in large numbers definitely was.

Arthur Gavshon has been an Associated Press diplomatic correspondent for many years, and kept his ear close to the ground in the Falklands crisis. Just how promising the Peruvian peace proposals were is revealed by the following paragraphs in the book:

At 17.44 Lima time (19.44 Argentine time) on May 2, 1982, just three hours after the *Belgrano* was sunk, after a press conference announcement by President Belaúnde Terry of Peru of a new development in the confrontation between Argentina and Great Britain in the South Atlantic, the Associated Press agency man in Lima filed the following message to his New York headquarters:

President Fernando Belaúnde Terry said today that Great Britain and Argentina would tonight announce the end of all hostilities in their dispute over the Falklands.

The basic document was drawn up by US Secretary of State Alexander

Haig and transmitted to the Argentine Government by the Peruvian president.

He said that long and continuous contacts between the two sides began yesterday, continued last night and early this morning and will be published tonight.

Belaúnde said that he was unable to make known the terms of the agreement in advance except for the first, about which there is no discussion: immediate ceasefire.

The British Government have consistently disparaged these Peruvian peace proposals. The evidence is that on the morning of May 2 Francis Pym, the Foreign Secretary, had okayed them with Alexander Haig. Unfortunately on that day there was no communication between the Foreign Secretary and the Prime Minister either on the vital peace proposals or on the disastrous decision taken at Chequers at midday to torpedo the *Belgrano*. The Prime Minister is determined to maintain a smokescreen around the crucial events of May 1 to

At noon on May 2 (0800 Argentine time) the Prime Minister acceded to an urgent request by Admiral Lewin, Chief of Staff, to be allowed to sink the *Belgrano*. The background was that the Admiralty had frightened the Prime Minister from the moment the Task Force left port about the high risk of losses of ships, and this had been an important factor in pushing the Government towards peace negotiations against Thatcher's inner inclinations. Not surprisingly, therefore, Lewin had little difficulty in persuading Thatcher to agree to the sinking even though the *Belgrano* was 15 hours out of the exclusion zone and there was not time to declare a wider zone. Lewin told the PM that with the *Belgrano* sunk the British fleet would be much safer.

The authors describe in detail from survivors' accounts the ghastly plight of the Argentine sailors who took to rafts in the icy cold seas with gale-force winds, and how by the greatest of luck only 368 Argentine sailors died. The death toll could have been the complete crew.

John Nott, then British Defence Secretary, said the *Belgrano* and her destroyers were close to the exclusion zone and "closing in on elements of our Task Force which was only hours away".

“Conservative M.P.s in private discussion have given up any attempt to defend Mrs. Thatcher's honesty about the Belgrano's course and intentions”

May 2 when she could have stopped the war. This new book penetrates the smoke-screen.

Margaret Thatcher at her election press conference when questioned whether the *Belgrano* was returning to port or not, said she was "zig-zagging". This new book produces incontrovertible evidence from intercepted Argentine Admiralty signals that the *Belgrano* at the moment she was sunk was well outside the exclusion zone and proceeding in a dead straight line to port, presenting a sitting target to an enemy submarine. The Argentine Admiralty transmitted two "come home" signals at 20.07 on May 1, and 01.19 on May 2 — 20 and 15 hours before the *Belgrano* was sunk. London knew of these signals immediately, but Thatcher ignored them and says now she never knew of them.

Other Government spokesmen said the *Belgrano* on May 2 was part of a pincer movement against the British fleet with the cruiser *Venticinque de Mayo*. According to this new book it was an odd pincer movement because its prongs were 350 miles apart and the *Belgrano* had been pointing straight at the Argentine coast on a bearing which she had been following for hours; instead of "closing in" on the British Task Force as the Government claims she was sailing just the other way.

At one election press conference Mrs Thatcher said the *Belgrano* was only six hours sailing away from the nearest British vessels. The authors produce undeniable evidence that she was 14 hours sailing away at top speed, and then only provided the British ship stopped dead in its tracks and waited for her. Another

hand, and the unitary state on the other, create fundamental problems. This is where Charles Haughey's speech of 1980 is a fairly substantial handicap. Joint authority, followed by some kind of federal solution, is a recognition of the political viability of Northern Ireland; furthermore, it is a recognition that the unitary state option is being put off, at least into the next century. While others within Fianna Fail might be able to contemplate that, Charles Haughey could not possibly do so. Nor would he want to. He is too fiercely republican.

Garret FitzGerald on the other hand, with a much more ready understanding of the Unionist mind, a much greater determination to solve basic domestic economic problems, and fundamentally greater realism on North-South relations, would be happy to concentrate on joint authority, followed by debate on forms of federalism leading to subsequent testings of political views and the political temperature in Northern Ireland. And he would not necessarily put a premium on speed.

Since he is in power, and looks like staying there for the time being, John Hume and the majority of his SDLP colleagues are content to go along with the FitzGerald line. They feel in part responsible for it, and believe that the achievement of the Dublin dimension will serve as a platform from which to reactivate a political profile within Northern Ireland. And James Prior would encourage them to do this.

Looked at from Dublin, it is difficult to see in any of the political parties in Britain more than the tiniest handful of politicians who have thought the Forum for a New Ireland through, or have understood the political magnitude of the forces which lie behind the graded options which are talked about. It is like pleading for the Left and the Right in the Labour Party to come together, or Edward Heath to row in behind Margaret Thatcher, or Liberals and Social Democrats to amalgamate completely. None of these groups or people would be *there* if it was as easy as that. So in Ireland, North and South. The very basis of the difference between the two main groupings and the Republic is expressed in their Forum attitudes: the very basis for political life in Northern Ireland is expressed in the unhappy fact that the SDLP are participating, while the Unionists will not even make a submission.

If the Forum for a New Ireland can produce an agreed report which proposes the three options discussed above, giving them equal importance, but indicating consecutive implementation over a long number of years, this would be a major achievement. Charles Haughey would be

“Looked at from Dublin, it is difficult to see in any of the political parties in Britain more than the tiniest handful of politicians who have understood”

able to interpret joint authority as an interim measure, on the road towards a unitary state, and a measure, into the bargain, which recognised the “political failure” of Northern Ireland as an entity. Both Garret FitzGerald and John Hume, together with Dick Spring, would have achieved a “second Sunningdale”. James Prior and the Conservative Government would see some utilitarian prospect for the Assembly. And the other political parties in Britain would be wise to sit very quiet.

The reasons for this last course of action would be two-fold. The first would be to see what the Unionist response would be, and how strongly backed up. The second would be because such a report would represent no more than a very tentative starting point once again, after ten years. Ten years ago, when the Sunningdale initiative, and the Power-

sharing Executive in Belfast, was brought down by the Ulster Workers' Council strike, Liam Cosgrave and his administration washed their hands of positive Northern Ireland initiatives, and adopted a strong law-and-order stance, confining it to the South. When Jack Lynch succeeded him in 1977, no serious change was attempted in this. When Charles Haughey took over in 1979, and in spite of his early and substantial change of direction, nothing positive was done. And during the unstable parliaments of 1981 and 1982, the scope for action remained extremely limited. Which brings us back to the setting up of the Forum in the spring of last year. The opportunities for more than one initiative every ten years from Dublin are not there. Taken together with the other difficulties, it makes the Forum report, when it comes, a very special document indeed.

NEW IRELAND FORUM

Make-up

Chairman: Dr Colm O Heocha (Academic)

Fine Gael: Dr Garret FitzGerald (Taoiseach), Mr Peter Barry (Foreign Affairs Minister), plus five backbench deputies and one member of the Senate; there is a reserve group of three further Dail deputies. (Peter Barry is deputy leader of the Fine Gael Party).

Fianna Fail: Charles Haughey (Party leader), Brian Lenihan (deputy leader), plus seven other backbench deputies, and four in reserve.

Labour Party: Mr Dick Spring (leader), Frank Cluskey (deputy), two backbench deputies and a senator, and a deputy and senator in reserve.

SDLP: Mr John Hume (Party leader and MEP), Seamus Mallon (deputy leader) and three members, with five in reserve.

The options

The New Ireland Forum, while its deliberations are confidential, is expected to come out with a report proposing three options. Most favoured of these is the suggestion that some kind of joint authority commission should be set up by the Dublin and London Governments, in agreement, with the idea of running Northern Ireland together. The London Government would act as guarantor for the Unionist majority, as it does constitutionally at present. The Dublin Government would be “invited in”, as it were, to represent or guarantee the rights and interests of the minority.

The second option would be in favour of federal or confederal structures for Ireland, North and South, with the prospect of a third, all-Ireland Assembly in addition to parliaments in Dublin and Belfast, the third assembly to deal with external relations, and possibly to have a British participation, as outlined in the Joint Studies of 1981.

The third option is that which proposes a unitary state, the traditional objective of a United Ireland, under a single Government elected from all 32 counties, and sited in the traditional capital of the country, Dublin.

explanation given by Mr Nott was that the British submarine *Conqueror* which was trailing her and eventually sank her would lose her on the shallow water of the Brudwood Bank. This too is bunkum, as the bank was nowhere shallower than 50 metres and the *Conqueror's* draught is not more than 18 metres.

But above all looms the ghastly treachery of declaring “Total Exclusion Zone” and then torpedoing an enemy ship well outside it which thought with reason she was safe.

The sinking of the *Belgrano* has permanently damaged the prestige of Britain in the eyes of Italy, Spain and the Latin American world. It is an enormity that the Prime Minister continues to rely on her smokescreen of contradictory statements and obviously false statements about the position and course of the *Belgrano*. The nation is entitled to know the truth.



The *Belgrano* sinking

Conservative MPs in private discussion nowadays have given up any attempt to defend Mrs Thatcher's honesty about the *Belgrano's* course and intentions, and fall back on the argument that it was right to sink her anyway, and that the Total Exclusion Zone is an irrelevancy. This is admitting the lack of integrity of the Government.

How much did the Cabinet and the Prime Minister know about the Peruvian peace negotiations when they decided to sink the *Belgrano*? Tam Dalyell charges the Prime Minister with deliberately sinking the *Belgrano* in order to sabotage what she knew would be successful peace negotiations which she would not be able to refuse although she wanted, for party political propaganda purposes, to continue the war and bring it to a successful conclusion regardless of the loss of life involved.

According to Gavshon and Rice this charge cannot be proved although there

The Lima proposals would have produced peace

was a culpable lack of communication between Pym and Thatcher at this crucial point of the war, and she took little interest in the Peruvian initiative.

On May 2 Haig and Pym concluded a fruitful and promising conversation about the peace initiative at noon, and Pym had allowed Haig to send his report to Be-laúnde which produced the signal quoted above, that the war was as good as over. According to Henderson, who wrote an account in the *Economist*, Pym had received before he left London the preceding day a telephone call from Haig which must have made it clear that an acceptable solution was well on the cards. Pym failed to report this to the Prime Minister which was a gross error and a

escalation of the war, but Thatcher fore-saw victory. Then two days later the *Sheffield* was sunk in an efficient and professional operation by skilled Argentine pilots, and with fears of further such losses on May 17 Britain proposed a UN administrator and total withdrawal of armed forces of both sides. Such a solution would have been a nasty blow to Thatcher's propaganda image and when on May 21 the British Army was ensconced in a beach-head on the main island she smelt victory, and according to Henderson she had no interest in the American plea to abandon unconditional surrender and the humiliation of Argentina. She rejoiced, as did the British nation, in the complete success of British arms on June 18.

But where are we now? Many British and Argentine lives have been lost in vain. The conflict is no nearer solution. Argentina is rearming so as to force Britain to keep quite unacceptable forces in the South Atlantic indefinitely.

The issues will not be properly examined in this Parliament because Labour, Liberals and the SDP were in favour of Thatcher at the time, but some time the public must react to the deception.

What was our Ambassador in Lima doing? According to Peruvian sources he kept London in close touch with Be-laúnde's progress from hour to hour on May 1 and May 2.

Gavshon and Rice conclude that Thatcher did not care about the Lima negotiations at all. She always wanted to scupper the proposals and go for total victory. How much she knew of the proposals herself is unclear, but probably she did not bother about the details. She was just not interested in negotiations and Pym knew this and so did Henderson. That she knew the *Belgrano* was returning to port is undeniable.

Estimates of what it will cost to keep the Falklands British until 1987 are as high as £8 billion. Each of the 1,800 islanders, mostly short stay, cost £400,000 in 1983/84. The new evidence of the Government's evasion of the truth about the war and the staggering cost of preserving the Falklands must before long become clear to the British electorate. Will the Alliance or Labour have the courage to force the issue into the open again faced with the current evidence that the Falklands factor still gains the Government votes?

Argentina was still ready to negotiate after the sinking of the *Belgrano*, once the psychological shock on the Argentine people had worn off. The British high moral ground had disappeared with the

Richard Lamb

We must negotiate with Argentina Now!

by Christopher Bluth

The nonsense of Cecil Parkinson's argument

THE MOST OBVIOUS and frequently discussed reason why Britain should negotiate with Argentina to settle the Falklands dispute is that the present situation is unsustainable in the long run. Because it requires £1 million for every man, woman and child in the Falklands over the next three years. This expenditure is grotesquely disproportionate to the meagre life-style that it allows the Islanders to maintain. In the long run, economics and geography necessitate *emigration*.

There are deeper, moral reasons for negotiations with Argentina which have not been frequently recognised, and they have to do with the official reasons why Britain engaged in military conflict over the Falklands in 1982.

The official justification for sending the Task Force was based on two principles:

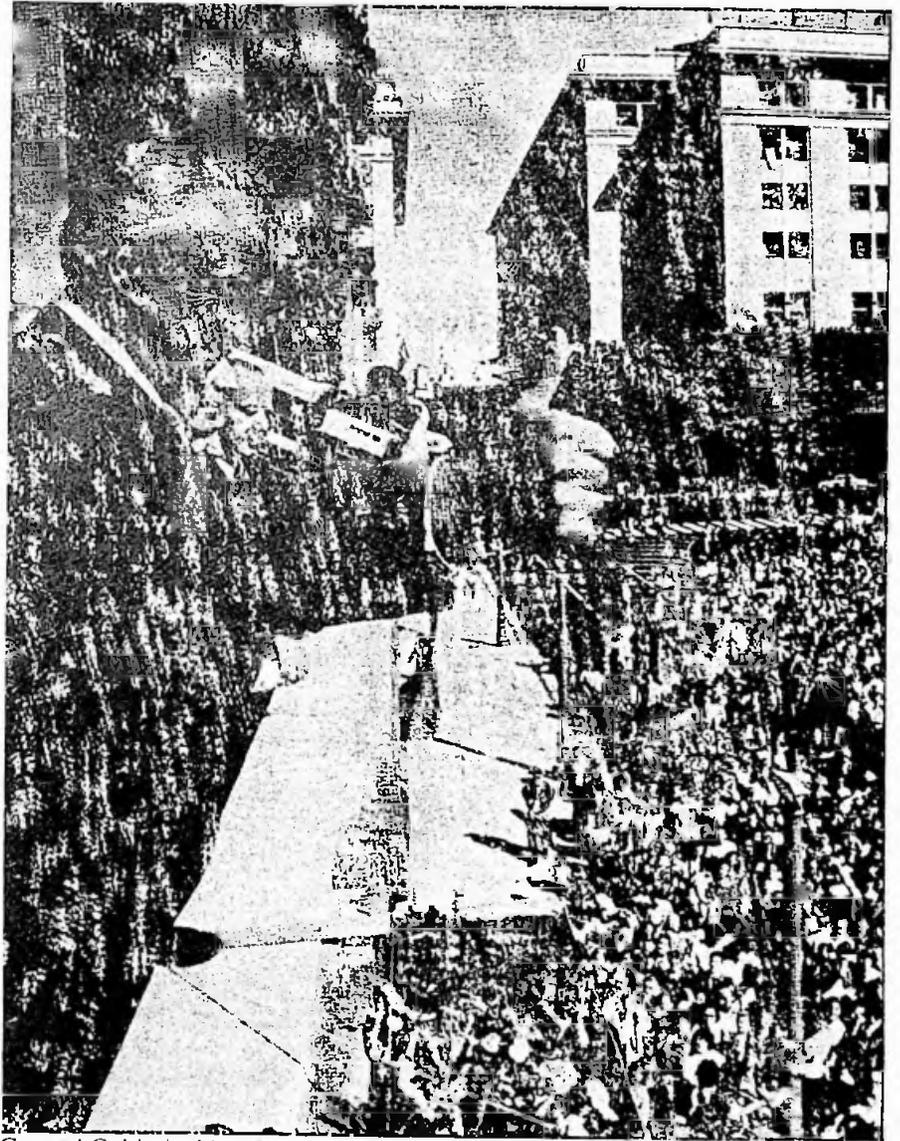
- (1) Aggression must not be allowed to succeed
- (2) The rights of the Islanders to self-determination must be preserved.

Cecil Parkinson explained the first of these principles in the following terms: "Allow Argentina to make a colony of the Falklands and you make a potential prey of every little nation on earth." The argument here is that Britain has a duty to demonstrate to the world that aggression does not succeed and thereby deter potential would-be aggressors.

A more sophisticated version of the principle "aggression must not succeed" would be one which acknowledges the existence of a dispute and claims that the British action was designed to preserve the principle that international disputes should not be resolved by force. This version was also frequently used by the British Government.

It is doubtful that the restoration of the *status quo ante* has served this cause in either of the two versions. First of all, the history of British colonialism means that for Third World nations who were at the receiving end of colonialism, countries like Britain simply lack the moral authority to teach anyone any lessons about the immorality of aggression.

More concretely, in the case of the Falklands Britain took possession of the Islands by an act of aggression comparable with the Argentine action in 1982. One might interpret the restoration of British rule over the Falklands in 1982 as the demonstration of the principle that



General Galtieri addressing a rally in Plaza de Mayo on 6 April 1982

aggression *does* succeed. This is particularly true because Britain subsequently refused to enter into any kind of negotiations over the sovereignty dispute.

As far as the issue of international law enforcement is concerned, by refusing to enter into negotiations afterwards Britain was basically saying that "might is right" and the British use of force turned out to be designed *not* to ensure that the resolution of the dispute was carried out by peaceful means, but force was used to actually achieve this resolution, *thereby denying the very principle that the British use of force was supposed to uphold.*

Although Third World countries disapproved of the Argentine action for the most part (hence the widespread support for Security Council Resolution 502), they also endorsed Argentina's claims of sovereignty over the Malvinas. They clearly interpreted the Malvinas issue as a colonial issue, and therefore did not see the British cause as a just cause, except that they disapproved of Argentina's recourse to force. Consequently in their eyes justice was not served by the restoration of the *status quo ante*, with the subsequent refusal to negotiate, and the principle that aggression must not suc-

ceed was not effectively demonstrated as a moral principle; for them after all colonialism is the most serious form of aggression.

"Little nations on Earth"

The acceptance of the principle that disputes should not be resolved by force, which led a number of Third World countries to support Resolution 502, was demonstrated prior to the decision to send the Task Force and can therefore not be interpreted as a consequence of British military resolve. On a practical level, the sheer absurdity of Parkinson's statement must be obvious. Britain was not one of the "little nations on earth"; its own claim is to be the third most powerful one. Even such a powerful nation had great difficulties in resisting the Argentine aggression; the British military effort in the Falklands very nearly failed catastrophically. It proved the success of military superiority and not of moral superiority. A smaller, militarily less well-equipped nation would not be able to resist the aggression of a larger nation. Thus, unless the British Government was arguing for global interventionism by the strong Western nations (which it seems was not the case, judging by the British Government's reaction to the American invasion of Grenada) Parkinson's argument was simply absurd. As Western impotence with regard to the Soviet invasion of Afghanistan has shown,

The British military effort in the Falklands very nearly failed catastrophically

aggression can and will succeed if it is accompanied by sufficient firepower. The same lesson is likely to be drawn from the Falklands conflict.

Justification

The principle that "aggression must not pay" and thus Britain should send the Task Force was first enunciated by Michael Foot (and not by the Government) during the House of Commons debate on 3 April 1982. The Government then adopted Michael Foot's principle as one of its two main justifications for pursuing the conflict in the way it did. Of course, Britain was not able to demonstrate as a general principle that aggression does not pay. However, Britain was able to demonstrate something similar, but quite different: Aggression against Britain does not pay. It is clear that this catches the general mood of the Conservative backbenchers, as can be seen in the Commons speeches of 3 April 1982. The Prime Minister herself made clear

The present situation is unsustainable in the long run because it requires £1 million for every man, woman and child in the Falklands over the next three years

during a speech in Cheltenham on 3 July 1982: "What has indeed happened is that now once again Britain is not prepared to be pushed around."

As Edward du Cann said on 3 April: "We have nothing to lose now except our honour". After all, Lord Carrington resigned because Britain had been "humiliated", and references to Britain's honour, coupled with unobtrusive threats to the Government, litter the Commons speeches of the fateful day when Parliament decided to send the Task Force. The dominant theme of the debate, that which was underlying all the emotion, was not the lofty ideal of Michael Foot. It was the fact that Britain was being "pushed around", and the Government had better do something about it, or else. Britain had been humiliated, and must restore its credibility by proving that aggression against Britain cannot succeed.

Public Relations Strategy

The confusion between Michael Foot's theme and that of the Conservative backbenchers (who were crucial for the Gov-

ernment's survival and thus probably had more influence) was probably deliberate. The Government pursued a very skilful public relations strategy: Public statements carefully avoided the impression that Britain was attempting to vindicate her rights. The emphasis was always on general moral principles, such as "aggression must not succeed" and "the right to self-determination". By saying "aggression must not succeed" it could appeal to a high ideal to be understood by those who were critical of military action and to jingoism espoused by those who were eager for it at the time.

Sometimes, however, the underlying attitudes were revealed. Thus Margaret Thatcher justified her refusal to enter into any further negotiations: "As to the United Kingdom resolution, the withdrawal by the Argentines was not honoured and our forces had to go there, because they would not withdraw. Indeed they had to recover and recapture British territory. I cannot agree with the right hon. Gentleman that these men risked

their lives in any way to have a United trusteeship. They risked their lives to defend British sovereign territory, the British way of life, and the right of British people to determine their own future." (15 June 1982).

The Law

This constitutes an explicit denial of the previous justification for sending the Task Force. It excludes the possibility that "these men risked their lives" in order to uphold the law even if the law turned out to be in favour of the Argentine claim and against the right of the Islanders to self-determination. Instead the goal of the operation is stated clearly to be the vindication of Britain's claim. It is by no means clear that international arbitration would support Britain's claim and the principle of self-determination for the Falkland Islanders, if self-determination implies the right to decide who has sovereignty. However, it is quite clear that international arbitration would have to support the "interests" of the Islanders which means that their British way of life would be safeguarded. It seems to have gone almost unnoticed that during the conflict, after the sinking of the Sheffield, the British Government changed the definition of the principle of self-determination. It no longer meant "the right to decide who has sovereignty", but rather involved the right of the Islanders to their own democratic administration and the preservation of their way of life. This comes close to the concept of the Islanders "interests" recognised in the UN Resolutions on which Argentina bases her claim. (It has been widely observed, of course, that the British Government's deliberate refusal to grant full British citizenship to the Falkland Islanders seriously undermines its claim to act in support of the Islanders' right to self-determination). A limited form of self-determination for the Islanders is not incompatible with Argentine sovereignty. The present stance of the British Government undermines the justifications for British military actions in the Falklands very seriously, and especially now that the military rulers who planned the Argentine aggression have been removed from power and may even be punished, Britain must negotiate with Argentina in order to preserve her own moral integrity. ■

Insightful on Hong Kong

From the Editor.
International Investment Letter

Sir,—Anatole Kaletsky's piece on Hong Kong (May 17) is the most sympathetic and insightful piece I've yet to read on the impending tragedy. It also offered the most sensible realistic solution to the human side of this tragedy, namely, that Britain should welcome the enterprising Hong Kong Chinese and benefit from their entrepreneurial skills and energy. Until you've visited Hong Kong, you've never seen such concentrated mass human energy!

Interestingly, Mr Kaletsky's piece appeared next to an appreciation of the late Lord Robbins. When Robbins first visited the East shortly after the war, he found Hong Kong and India both in poverty. Thirty years later, he returned. Hong Kong was flourishing while India has hardly progressed at all.

What made the difference was not just the people; it was also, as Robbins so clearly pointed out, the open economic environment.

Yes, by all means let's welcome a relatively small number of Hong Kong entrepreneurs; Britain could benefit from their drive and ambition. But if they are to perform their miracles, we must provide them with the correct incentives — minimal tax and minimal regulation.

Otherwise, like any other peoples dumped on an overburdened welfare state, they too would mostly stagnate in the stifling atmosphere of government restriction.

Here, finally, would be a golden opportunity for Britain to redeem her honour and to help herself while rescuing a targeted people.

Adrian Day,
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The Telegraph 31/5/84

TENG PLANS 3,500 TROOPS IN HONGKONG

By HUGH DAVIES
in Peking

Sino-British talks on Hong Kong resume in Peking today in the wake of Teng Hsiao-ping's statement that China intends to station troops of the people's liberation army in the territory the moment Britain relinquishes sovereignty.

Both sides had agreed to remain silent about the discussions, but Teng said that he told Sir Geoffrey Howe, Foreign Secretary, of China's intention during their talks in Peking just before Easter.

It is understood that Teng is thinking of stationing about 3,500 troops in the territory when China takes over in 1997.

R A F FIREMEN PRAISED IN STANLEY

By Our Port Stanley
Correspondent

Mr Michael Gaiger, the Falklands Attorney-General, told a Commission of Inquiry in Port Stanley yesterday that if it had not been for the assistance of the military fire services, "we would have had a greater tragedy" from the fire at the King Edward Memorial Hospital which claimed eight lives.

Mr Gaiger reminded the Commission in his closing speech that the R A F airport at Stanley "was completely exposed so that military fire tenders could fight the fire."

Mr John Laws, counsel for the Commission, in his summing up, said he would be most reluctant to infer that the fire had been started deliberately. "There is no evidence to support this," he said.

The Times 31/5/84

Falklands fire hearing ends

The hearings by the commission of inquiry into the hospital fire in Stanley in which eight people died on April 10 ended on Monday.

It appears that its cause will never be known. Inspector Tom Greenwood, who had been sent to the Falklands to investigate, said he had first blamed an electric heater, but tests were negative. The commission is due to report by August 11.

Falkland mishaps halted work at hospital

By our Correspondent

A catalogue of mishaps by British soldiers in the Falkland Islands led to Government plumbers being taken off the important work of installing water hose reels at the King Edward Memorial Hospital to repair damage caused by soldiers using heavy plant.

Mr George Webster, the director of public works in the Falklands gave a list of the damage to a commission of inquiry that is investigating the circumstances of a fire at the hospital on April 10 which caused eight deaths.

Mr Webster spoke of a meeting which had taken place the day before the fire between himself, Dr Alison Bleaney, the senior medical officer, and a military representative, Captain Ward.

Fifty per cent of the work had been done but water pipes had not been connected. Mr Webster said that he told Captain Ward that his plumbers had been withdrawn from the hose reel work to repair damage caused by misuse of military vehicles.

"An army Hymatic vehicle tore up a water line, then an army digger dug up the water mains to Port Stanley and Royal Signallers laying a cable tore up yet another water main on two occasions," he said. One and a half days water supply to Stanley had been lost on one occasion and water rationing introduced.

Mr Webster said that at the meeting he had related these events to Captain Ward, adding: "Now we have another priority... Installing central heating in a government house which is to be handed over to the military."

He clarified this remark saying that a military officer and his family were expected to move into the house later. In actual fact, said Mr Webster, "we hadn't started work on this house then, and the work on No 8 Ross Road West is still not completed."

He had been told to get on with the central heating during a regular Thursday meeting with the islands' civil commissioner, Sir Rex Hunt, but had only brought this up at the meeting owing to the "heat of the occasion."

Earlier a Government plumber, Mr Dennis Plaice, had told the commission that lack of manpower and tools meant his department had been unable to keep up with everyday maintenance work, let alone complete new projects. Most of the tools disappeared or were destroyed by Argentinian soldiers during the 1982 occupation, he said.

Buenos Aires eases gloom

The Deputy Treasury Secretary Mr R. T. McNamar sent shivers through American banking shares on Thursday when he hinted there would be no further renewal after May 30. But Mr Regan has now moved to dispel this impression saying that since the US's pledge to give Argentina \$300 million doesn't come into effect until it concludes an agreement with the IMF, it is under no pressure to do anything for the moment.

From Alex Brummer in Washington

ARGENTINA is said to be near to a deal with its commercial bank creditors in a development which could help to improve the atmosphere in the American banking system after the unsettled conditions of recent weeks.

Banking sources quoted by The New York Times said that under a new proposal offered in the last week by Buenos Aires the Argentine government would pay its creditor banks some \$500 million in interest on its \$47 billion of debts at the end of this quarter. The US Treasury Secretary Mr Donald Regan has also expressed hopes that Argentina and the banks can work something out on their own.

There has been widespread concern in the US financial markets that several major banks would have to put their Argentine loans on a different accounting basis on June 30 emphasizing the high risk of their Latin American lending, unless an agreement could be reached.

Following last week's market attacks on the shares of Manufacturers Hanover and Chase Manhattan, partly as a result of their exposure in Argentina, the US Treasury has moved to shore up market confidence in the banking system's ability to deal with Argentina. The Treasury Secretary Mr Regan has said there is no time limit on a US commitment to make Argentina a temporary \$300 million loan when and if it comes to agreement with the International Monetary Fund.

The US loan would be used to repay four other Latin American countries — Mexico, Venezuela, Columbia and Brazil — which made available \$300 million to Buenos Aires in March. When the IMF finally reaches agreement with Argentina it is to use some of the funds obtained to repay the American facility. The initial US commitment was until April 30 and this was extended a further month to May 30.

Falkland hospital safety 'delayed by Army blunders'

By **PATRICK WATTS** in Port Stanley

A CATALOGUE of mishaps by British soldiers in the Falkland Islands led to Government plumbers being taken off the important work of installing hose reels at the King Edward Memorial Hospital to repair the damage caused by soldiers using heavy plant.

Mr George Webster, director of Public Works, yesterday gave a list of the damage to the commission inquiry investigating the fire last month.

It killed eight people and destroyed the wooden wing of the building, plus several military wards.

Mr Webster recounted the procedure of a meeting which had taken place the day before the fire, between himself, Dr Alison Bleaney, the senior medical officer, and a military representative, Capt. Ward.

Heated talks

The discussions, he told the commission, had become "very heated", as he was being pressed by Capt. Ward as to why the hose reels had not been fully installed. Half the work had been done but water pipes had not been connected.

Mr Webster said that he told the officer that his plumbers had been withdrawn from the hose reel work to repair damage caused by mis-use of military vehicles.

"An Army vehicle tore up a water line, then an Army digger dug up the water mains to Port Stanley, and Royal Signallers laying a cable tore up yet another water main on two occasions."

One and half days water supply to Stanley had been lost on one occasion, and water rationing introduced.

Mr Webster said he told Capt. Ward: "Now we have another priority. Installing central heating in a government house which is to be handed over to the military."

In actual fact, said Mr Webster, "we hadn't started work on this house then, and the work on No. 8 Ross Road West is still not completed."

Earlier, a government plumber, Mr Dennis Platce, told the commission that lack of manpower and tools had led to his department being unable to keep up with everyday maintenance work, let alone new projects.

Most of the tools disappeared or were destroyed by Argentine soldiers during the occupation.

The Telegraph 29/5/84

The Telegraph 29/5/84

ARGENTINA FREES BRITON

By **MARY SPECK**
in Buenos Aires

AN Argentine Federal judge has released from prison a British woman who had been held for eight years after being convicted by a military tribunal of "carrying arms"

Daisy Jane Hobson, 35, the Anglo-Argentine daughter of a British businessman, left Ezeiza Prison on Thursday morning on orders of Judge Jose Nicasio Dibur, it was learned yesterday.

Miss Hobson was arrested in May, 1976, by Argentine security forces. She was sentenced to 22 years by a military tribunal for carrying arms.

The military court findings were based on a confession which Miss Hobson said was extracted under torture while she was held at a police station.

Blindfold ordeal

"I was kept blindfolded, morning, noon and night for an entire month," she said. "I don't even remember all the details of the confession I signed."

Judge Dibur released Miss Hobson while reviewing the military court findings. She still faces charges of illicit association and kidnapping filed in 1979 in another court.

"I plan to remain in Argentina," Miss Hobson said. But she also hopes to travel to Britain to visit her two married sisters as soon as the court cases are over.

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Argentina speeds up talks with banks on debts

BY JIMMY BURNS IN BUENOS AIRES

HIGH-LEVEL negotiations between Argentina and commercial banks on the country's \$43.6bn foreign debt problem are being speeded up as a result of the recent Argentine commitment to reach an early agreement with the International Monetary Fund.

Sr Enrique Garcia Vazquez, president of the Argentine Central Bank, confirmed over the weekend that he had held talks with Mr William Rhodes of Citibank and chairman of the steering committee in charge of Argentina's foreign debt.

No foreign bankers were available for comment yesterday on Mr Rhodes's surprise visit to Buenos Aires at the end of last week. But, Sr Vazquez said that the talks reflected a wish to find a solution well before the new quarterly deadline for U.S. banks on June 30 as opposed to another round of brinkmanship.

Sr Vazquez confirmed that talks with the IMF "were going very well" and that a letter of intent would be ready by the end of the month or within a few days after that.

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Argentina frees daughter of Briton

From Douglas Tweedale
Buenos Aires

Miss Daisy Jane Hobson, an Anglo-Argentine woman held as a political prisoner for nearly eight years by Argentina's former military regime, was freed by the country's civilian government last week.

Miss Hobson, aged 33, was released on bail on Thursday after a week of proceedings and sometimes confusing rulings by the two judges handling her case.

Telephoned at her family home in Buenos Aires, Miss Hobson told *The Times*: "It's fantastic. For now, I am simply enjoying the taste of freedom."

She said her immediate plans were "just to see old friends and try to piece my life back together again," and that



Miss Hobson: free again after years in jail

she means to travel to Britain as soon as she is able to leave Argentina.

Miss Hobson still faces one, and possibly two, trials for alleged political crimes arising from her arrest in 1976 and a

confession her lawyers say was obtained by torture.

Her release came after repeated efforts by *The Times* to call attention to Miss Hobson's plight, and by her Argentine lawyers who had a 22 year sentence imposed by a military court overturned.

The daughter of a prominent British businessman in Argentina, Miss Hobson was arrested by security forces and accused of belonging to a banned left-wing guerilla movement.

After what she described as "nearly a month of physical and psychological torture" at a police station, she was sent to the first of three prisons where she was held, at times in deplorable conditions.

She was accused of illegal arms possession and other

crimes, and sentenced to 22 years in prison by a military judge, who reportedly told her before the trial began: "Nothing will save you from the punishment we are going to give you."

That sentence was overturned last week under a new law passed by the civilian administration of President Raoul Alfonsin, but the evidence against her must be examined by a civilian judge to determine whether a new trial should be held.

Miss Hobson is also awaiting sentence on separate charges brought against her in 1979 by the military regime which accused her of belonging to the banned People's Revolutionary Army and of taking part in a kidnapping.

WORSTHORNE in Argentina

Part 1: Inflation, affluence and the road to democracy



TWO YEARS ago next month Port Stanley was retaken and Argentina surrendered to Britain. The Falklands war was over, but the conflict was not: today Argentina still claims the islands. Earlier this year Peregrine Worsthorne flew to Buenos Aires to find out more about a country which has always had strong links with Britain and which is now tied to us by the bonds of war. Here is the first extract from his Argentine journal.

SUNDAY: Having at long last received a visa—after a delay of well over 18 months—I am on my way to Buenos Aires, carrying many letters of introduction from Juan Eduardo Fleming, Argentina's representative in London, who has done a good job in recent months rebuilding relations—albeit informally—between our two countries. He has also supplied me with a small library of books about Argentine history, etc, to keep me usefully occupied on the 14-hour Swissair flight from Geneva. (There are still no direct flights from London.)

How presumptuous is it to try to learn about a country in this crash-course way? Perhaps not quite so presumptuous as it sounds, since Argentina has had a relatively short history—less than two centuries—in which not a great deal has happened. One really can read it through at one sitting, as if it was a novella rather than some massive blockbuster of a saga.

Why am I making this journey and eagerly reading about a country which previously had not interested me in the least? The answer is obvious, and a bit depressing. Having recently finished fighting Argentina, the British are beginning to want to learn a little about the place. There is nothing like a war to bring two peoples together.

Argentina today has journalistic sex appeal, newsworthiness, like Ireland. But it is not like Ireland, of course. Ireland's problems are lost in the mists of time, and the student soon gets bogged down hopelessly in the morass of ancient myth and counter-myth. Argentine history is much more manageable, comprehensible, and one does not feel overwhelmed by the impossibility of making sense of it. Why did everything go so well from independence in 1810 to roughly the Second World War, and then go very badly thenceforward? What went wrong? Who was to blame?

In the case of Argentina it is not inherently absurd for a journalist to try to answer such questions. That is the advantage of young countries: the would-be anatomist's task is made that much easier by the existence of a relatively simple body politic not yet twisted by age out of all recognition. Faced by a jet engine, or some wondrous modern piece of electronic machinery, I give up trying to understand. But one does not need to be a trained technologist to have a go at understanding the original steam engine; or a trained political scientist or sociologist, I hope, to try to grapple with the political, social and economic problems of Argentina.

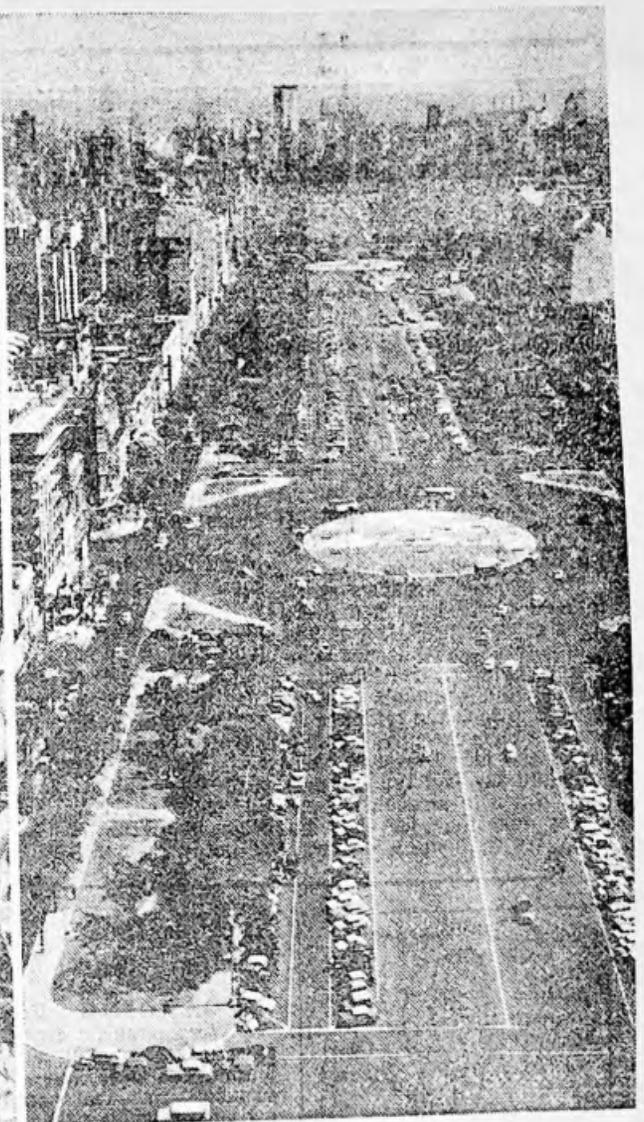
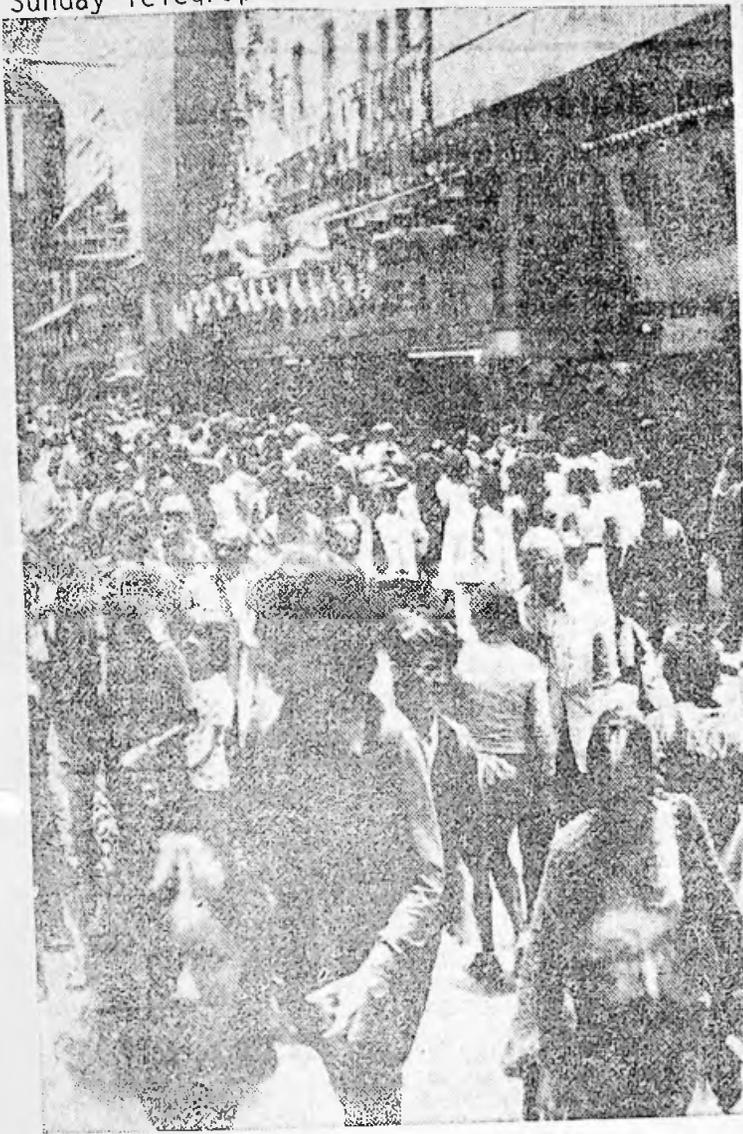
Setting out on earlier travels of this kind to China, Japan, India, one was reduced to apathy by the knowledge of the scale of one's ignorance and the hopelessness of trying to do anything about it. Not so on this

occasion. There are only very few worthwhile books about Argentina in English, and if I work hard during the flight, I shall have read the lot by the time we land. Some travellers to foreign parts are excited by the certainty of getting lost on arrival. Being less adventurous, I am reassured by the feeling that for once I may not find myself wholly out of my depth.

MONDAY: Arrive Buenos Aires 10.30 am local time (four hours behind British time) on schedule, after a supremely comfortable flight. To my surprise, the immigration officer stamps my passport without even looking up. Cash 200 US dollar traveller's cheque into pesos at official rate (30 pesos to dollar) in spite of being offered 50-60 pesos by black market touts, since it seems prudent to avoid giving the authorities any unnecessary cause for complaint or excuse to be bloody-minded.

Outside the airport, transport touts offer a cut-price fare into the city, which I accept, very imprudently as it turns out, since on reaching the sleazy outskirts of Buenos Aires the driver stops the taxi in a side street and announces that the engine is "kaput." If I pay him 4,000 pesos—nearly \$100 in black market terms—he will try to find me another taxi.

I fume and rage. He starts dumping my luggage on the pavement. A crowd gathers to lend him moral—not exactly the right word—support. I hand over the 4,000 pesos, at which



Buenos Aires: no sign of obvious poverty, but plenty of wide avenues

a sign is made and another taxi, obviously in cahoots with the first, appears out of the blue. Its driver, asks for another 4,000 pesos, in advance, to complete the journey, bringing the total cost to a preposterous \$200, which is more than the average monthly wage.

It has to be said that the con trick was conducted throughout without any hint of menace and although greatly angered, largely at my own stupidity, I felt no fear of robbery or worse. On reaching my hotel room, I find attached to the Swissair ticket a warning, which I had not bothered to read, to avoid airport taxi touts, the official taxi rate being 600 pesos maximum.

How much better it would have been if instead of having my nose in all those history books I had bothered to read something really useful for a change. An ounce of actual experience of a country teaches one more than a ton of theory. Non-sense. There are dishonest taxi drivers all over the world. Even so, it has to be admitted that nothing I learnt about Argentina from books read in mid-air—literally a case of having my head in the clouds—was of the slightest help to me on the ground.

Alone and desperate

Book in at the Plaza Hotel, expecting to find messages from a great variety of different contacts who have undertaken to get in touch with me there. But there aren't any. Although I have had this disappointing experience repeatedly, it never ceases to send my heart plummeting to my boots. "Sorry, no messages," says the receptionist handing the room key to the bell-boy who conducts one to the room very much in the manner—or so I always feel—of the jailer incarcerating a prisoner. Bang goes the door and one is left alone feeling pretty desperate.

Contacts mean to be considerable, of course; to give one time to sleep off the jet lag. If they are strangers they don't want to push themselves forward, seem over-eager. So they wait until the day after arrival to get in touch. For one's own part, one hesitates to seem precipitate in getting in touch with them, in case they sense, quite rightly in my case, the extent of one's helplessness. But quite soon I always do ring, so great is the longing for someone to make contact with, and when the surprised voice says, "When did you get in?", I never tell the truth but prevaricate instead, giving the impression that it is several days ago.

Proper travellers, of course, don't need other people. But then they always speak the local language, which I don't. So other people are indispensable and one wants them NOW. But they are never available now. What about lunch tomorrow? they say, leaving one with a whole day to kill. No great hardship, of course. Should I not be feeling immensely lucky to have money in my pocket, a great new city to explore, no duties, no ties? Yes, indeed, and the thought of how other people would make the most of these opportunities adds to one's own frustration.

Why didn't I take advice in London about things to see, restaurants to eat in, how to pass an evening in Buenos Aires on my own? For 18 months I have been planning this Argentine journey, and yet here I am at last, safely arrived, without the slightest idea of what to do with myself. I can't even read the evening paper or listen to television, and my hotel room looks out on to a blank wall. After 14 hours enclosed in a hermetically sealed cylindrical steel tube, I am now about to spend another eight hours in a hermetically sealed concrete block.

In my experience the world never seems so flat, stale and unprofitable as it does when one has lost all touch with home, but not yet made contact with abroad. I dial room service, rather as the desperate drunkard calls up Alcoholics Anonymous.

Cont.

TUESDAY: Contacts materialise out of a clear blue Argentine sky. Cristina Bonasegna, the *Telegraph's* young Argentine correspondent, rings to say she is downstairs in the lobby, having taken a day off from the *Buenos Aires Herald*, where she works, to

show me around. The first necessity is to change some more dollars. Apparently I had been crazy to do so yesterday at the official rate. Everybody uses the black market, which makes no effort to stay underground. Every evening on television for example, the main news programme always ends with a report on the various black market currency fluctuations and a prediction about what the rates will be next day, rather as in other countries such programmes end with weather reports. (Here the weather is much more steady than the currency.)

With inflation now running at 20 per cent per month (800 per cent a year) nobody can afford not to try to gamble on the exchanges. Even the poorest, who can scarcely read, have become exchange experts, and study the city columns daily with the same kind of attention as their counterparts in other countries give to racing results or the football pools.

Cristina takes me to her black market contact — a fashionable travel agent, who does not seem in the least embarrassed to be reduced to doing this kind of business. We could have got a better rate by shopping around. But this would have wasted time. No, not wasted time, says Cristina. Learning how Argentines cope with inflation is absolutely central to any understanding of what was going on here. What did I think all those sober, dark-coated gentlemen, scurrying hither and thither so busily, with briefcases under their arms, were about, if not currency dealing in one form or another? That was the only way to keep one's head above water.

Always remember, she adds, that when you are talking to politicians, academics, journalists, etc, about democracy, civil rights, and such like, at least half their minds will be on money. The price of liberty may require eternal vigilance, but so, in Argentina, does the price of keeping up with inflation.

In the afternoon take a bus tour of Buenos Aires. When still in London I had thought of Argentina as a relatively minor or unimportant country, more part of the third than the first world, which is what it now is in terms of GNP, etc. But such a patronising assessment soon begins to evaporate once one arrives in Buenos Aires, which is laid out on a scale more suited for a great imperial capital, which, of course, is what Argentina once hoped—and perhaps still hopes—to be.

Life at the top

Admittedly it is now all a bit shabby and run-down, as were London and Paris, say, after the war, but the evidence of past riches, in the shape of great private palaces, splendid municipal parks, wide avenues and statuary galore, is still sufficiently awe-inspiring to knock all feelings of *de haut en bas* out of at least this visiting journalist. Even in the outskirts, which stretch for miles, there is no obvious sign of poverty, although the overriding impression is of a city that has expanded so quickly as to outgrow its strength.

This is not surprising, of course, since in the case of Buenos Aires, unlike London or Paris, there were no existing villages for the expanding city to absorb and renew its strength from; only the wild pampas into the infinity of which the city could spread without let or hindrance, its metropolitan charm and character becoming ever more thinly spread.

Dine with the Bembergs, a famous old Argentine family—expropriated and driven into exile by Peron—who have invited a cross-section of what used to be known as the oligarchy, the older of whom speak excellent English with a slightly quaint accent picked up from their English nannies. (The younger generation, whose childhoods coincided with the disappearance of the English nanny, are very much less fluent.)

A few years ago, at a grand Buenos Aires social gathering of this kind, conversation with a visiting Englishman would have been exclusively about polo, aristocratic connections, White's bar gossip, and among the older guests this tradition still pertains. A delightful old gentleman called Uruburu, grandson of former Presidents on both sides of his family, reminisces about his days up at "the House" — Christchurch — with

Randolph, Evelyn, Freddie, Seymour, et al.

But I can sense that the younger guests, growing impatient with this traditional area of Anglo-Argentine exchange, want to broach more serious topics, and eventually, after dinner, they come to the point. Am I serious, they ask, in wanting to learn about Argentine politics? Or is my visit going to be just another exercise in titillating English readers with Latin America's failure in the practices of democracy?

On being assured of my good faith they proceed with a history lesson which I summarise thus: Argentina's problems spring largely from the failure of the 19th-century oligarchy to develop an equivalent of the British Tory party. This failure had little to do with the supposed illiberality of the Spanish inheritance—the so-called *caudillo* syndrome—since in fact Argentina under oligarchic or aristocratic rule, from 1855—when the liberal constitution had come into force—until the 1930s, when the great world depression struck, had been an admirably open, free and tolerant society.

Coups and liberalism

The floods of immigrants into Argentina in the 19th century were much better received here than in the United States. As for the oligarchy's economic ideas, these were identical then with those of liberal England—free trade, *laissez faire*... the Gladstonian lot. And until the Depression, the recipe worked like a charm. The Argentine economy grew as fast, if not faster, than that of the colossus to the north.

The only failure of the oligarchy was in never having bothered to develop a popular electoral base—a mass political party. It had come to terms marvellously with liberalism but not with democracy, wrongly supposing that it would be able to rig elections by buying votes for ever. So when the rising middle class—mostly immigrants—organised into the Radical party, and then subsequently the working class, organised into the Peronist movement, challenged oligarchic rule, there was no comparably effective national conservative party ready to defend it, which is why the land-owning or upper class, unlike its British equivalent, had developed the habit of relying on the Army, for want of any other buttress for the old order.

Nor was this reliance on the regular intervention of the armed forces quite as illiberal a stratagem as it seemed to Western opinion. Very seldom did the Army intervene without a popular consensus in support of such action. More often than not, coups were completely bloodless, with the outgoing President vacating his office in much the same orderly way as the outgoing British Prime Minister left Downing Street. (President Illia, for example, when deposed by the military in 1966, simply telephoned for a taxi to take him away.)

This arrangement, privately admitted though publicly deplored, has, like the democratic system in other countries, its own underlying rhythm, and it enables power to be shifted between two accepted alternatives in a passably regular, and very rarely painful, fashion. But although that system had worked in the past, it could not do so in the future, because the armed forces had now discredited themselves without any possibility of recovering their former role as the focus of national sentiment—Argentina's equivalent of the British monarchy. So this traditional conservative "long stop" was no longer available. At long last the conservative elements in the country were going to be forced to organise their own mass party or perish.

This was going to be difficult to do, because hitherto the upper class in Argentina had always been reluctant to identify itself completely with the nation. Because Argentina was so far away from all the great centres of culture and high society, the rich had never been content to stay at home, and had always hankered after Paris or London, preferring to be playboys abroad rather than politicians at home. And this in turn meant adopting cosmopolitan values which cut them off from their national roots.

The distance problem had now all but disappeared. If a rich young Argentine did his duty by his country of birth, this did not mean that he had to resign himself to foregoing Europe, since air travel had made it possible today to do both. Moreover, the lure of Europe's high-society life was no longer what it was. As a result, more and more of the new generation of upper-class young were actually going into politics, local and national, in an attempt to do what their forebears should have done years ago: organise a national conservative party from the grass roots upwards.

Championing the national interest would have to be one part of such a party's popular appeal, which in current terms meant a hard line over the Falklands/Malvinas issue. This might be unfortunate for Anglo-Argentine relations in the short run, since they would have to oppose any settlement which did not bring an immediate transfer of sovereignty.

But in the long run only a recrudescence of civilised Argentine conservatism could create conditions where compromise became possible. The model should be the British Tory party, from which there was so much to learn, and how marvellous it could be if the age of the English nanny could return to Argentina in the shape of Mrs Thatcher.

Malena Bemberg, former wife of Maxi Gainza, owner of *La Prensa*, drives me home at 3 am! Like several other delightful ladies at the party she says she would have loved to invite me to her *estancia* for the weekend but is going to resist the temptation, since she knows I will be too busy for such rural distractions, brushing aside my wholly sincere denials with "Oh, you English are so polite." Damn.

WEDNESDAY: My telephone rings at 8 am. Although the Argentines keep Spanish hours in the evening, not dining till 10 pm or later, they start just as early as we do in the morning, and don't have siestas in the afternoon either, possibly because of the pressure of inflation which forces them to have two or three jobs. It is Downside-educated Luis Balcarze, a Foreign Office official whom I met last night, asking whether I would like to meet a 23-year-old Falkland Islander, Derek Rozee who had been sheep-shearing in Argentina when the war broke out and would welcome my advice about his future. He happens to be in Buenos Aires this morning and could come round, if I agree, to breakfast in my hotel.

I agree, and at nine we meet downstairs. His story is as follows. He had come to Argentina from the Falkland Islands in 1981 in search of better prospects than those available on the islands. Two days before the invasion he had been taken by the police from the farm where he was working and driven to a prison in Buenos Aires. There he was kept for several weeks in solitary confinement, while all the time being pressurised to take out Argentine papers, which eventually he agreed to do. This ceremony then took place in the full glare of world television and was followed up by his being put on show at the UN General Assembly, where he made pro-Argentine statements.

Exploitation

After the war the Argentine authorities arranged for him to get the educational qualifications which he had never been able to acquire in Britain or the Falklands, and he was now working as an industrial draftsman in a cement factory outside Buenos Aires. He was well treated and happy but missed his family on the Falklands and wanted to be able to visit them and also Britain. What did I think he ought to do?

The question is asked quite innocently, as if it was an inquiry about some relatively minor technicality. Indeed, he has recounted his dreadful story in the most strangely matter-of-fact, unemotional way, without any apparent realisation of the true nature of his actions.

To be truthful I should presumably reply that on the precedent of the Second World War those who had given aid and comfort to the enemy had been hanged for treason. As it was I simply expressed sympathy for the difficult time he had been through and promised to look into his case when I got home.

Needless to say, I did feel intense sympathy, since it was not difficult to understand how a young Falkland Islander had allowed himself to be exploited in the way he had. But it has to be admitted that I also felt intense revulsion as well, so great is the taboo against even a hint of treason. By

the time he had come to the end of his story I was looking at this utterly innocent and engaging young man as if he was beyond the pale, a pariah. On his side, however, there was no embarrassment at all. He seemed to assume that what he had done, under the circumstances, was perfectly sensible. Had he heard from his parents on the Falklands? I asked. Oh yes, they were delighted to learn that he was doing so well with his exams.

Why do I feel so disturbed by this breakfast meeting? Perhaps because it has made the whole Falklands war seem such a ridiculous nonsense—a conclusion which I am all the more reluctant to reach, it being the one which Luis Balcarze, who set up the meeting, so obviously intended.

Lunch as the guest of Mario Hirsch, chairman of Bunge and Born, one of Argentina's oldest and largest corporations. His Buenos Aires residence is a mini-chateau, the formal magnificence of which is a bit overpowering, and I feel very under-dressed in my cheap summer suit. I can never get it into my head that other peoples do not all follow the British custom of using hot weather as an excuse to wear holiday clothes.

Gaffes at lunch

After being led by butlers through several tapestry-draped ante-chambers, I am shown into the salon, where about 10 soberly attired gentlemen stiffly rise to their feet to greet me. My host, who is about 70, with old-world manners and great charm, introduces me to all my fellow guests—each of whom bows—but I do not catch their names. After drinks have been served by manservants in white coats and gloves, and we have all sat down in a circle in beautiful 16th-century Spanish chairs, our host says quietly: "Here we all are, Mr Wors-thorne, at your service, if you would be so kind as to indicate in which special areas your interests lie."

This is always a difficult moment for me—not unlike being asked to choose from a vast menu—since I can never think of an interest which does proper justice to the assembled talent. So on this occasion, as on so many others, I fall back on a little spiel about being interested in everything, to which no one makes any response.

The host stares at his beautifully polished handmade shoes and the others just look patient, assuming presumably that I am bound to be more specific if they give me time.

Drawing inspiration from last night's dinner, I try again. "Being at home a conservative journalist I am particularly interested to learn why it is that your country seems so unable to produce an effective conservative party." Then, warming to my theme, I go on: "I was at a dinner last night where there were a number of young men who seemed determined to try to fill this historic gap, and I was wondering whether any of you would care to comment on their prospects."

Still no response; indeed, an even deeper silence, which leads me to suppose that I am still being too vague and abstract. "In short, my question, gentlemen, is this, why has Argentina, which in the 19th century produced so many great conservative statesmen, so signally failed to produce anyone of stature in recent years?"

To my short-lived relief Mario Hirsch now stops looking at his shoes, and, turning to another septuagenarian sitting on his right, says: "Mr Alsogaray, I think you should perhaps answer this question, in view of the fact that you were the conservative party Presidential candidate at the last election and now lead the conservative group in the Lower House." Mr Alsogaray then saves my face quite beautifully by pleading for me to repeat the question, since his English is so bad that he had quite failed to follow it the first time, which gives me an opportunity to tone it down, soften its edges.

Luncheon is then announced, not before time, and we proceed into another magnificent room. Being the principal guest, I am served first, which poses at once another slight embarrassment, since the first course consists of an enormous and highly decorated croust containing an elaborate lobster concoction. A slice of the crust had been cut, so as to make an aperture into the

goodies inside, but it is not at all clear whether one is meant to take the crust and the goodies or just scoop out the lobster and leave the crust. I do the latter, as do the other guests. But the host does the former.

When the dish comes round a second time, taking my cue from the host, I do the former, and am followed again by the other guests. This time, however, the host does what I had done initially.

Meanwhile Mr Alsogaray, a former Finance Minister under several military Governments, talks interestingly about the political problems of operating a free economy in Argentina. A third of the population—10 million—lived in the Buenos Aires area—he explained—which gave the capital city a dominant and determining voice in the affairs of the nation, and since a very high proportion of these city-dwellers were State employees or dependants of one kind or another, this resulted in a vast vested interest in the expansion of the State sector.

Although, in theory, the suspension of democracy in recent years should have lifted this pressure, it had

not done so in practice, because the armed forces, too, had a vested interest in the public sector, much of which—the steel industry, for example, and everything else remotely to do with armament production—they directly controlled. Unlike in Britain, where free-market Governments had only to denationalise industries, in Argentina there was the additional, and much more difficult problem, of demilitarising them as well.

The Army's role

It was difficult, he said, for the British to understand the role of the Army in Argentina. Not only had the nation been founded by the Army, by generals who had won the war of independence, but also, in the absence of any other administrative body in the nation's early years, governed by the Army, *faute de mieux*.

In North America the British left behind a democratic structure which simply continued to function after their departure. But not so in the Spanish in South America. When the Spanish



President Alfonsín: forcing the conservatives to organise or perish

departed, that really was a proper revolution. Every-body was freed, even the slaves—more than half a century before their American counterparts. The Army in these days was the only island of order in a sea of anarchy.

Initially it was not too little individual freedom that had plagued South America, but too much, which is why the people still had a fear of freedom and a trust in the Army. In Britain conservative-minded people looked to the Tory party for reassurance and security, but in Argentina they looked to the Army and the Church. Thus was political conservatism deprived of precisely those primitive sources of strength which made it such a formidable force in Britain; reduced

to a market economy party rather as if Powellism in Britain had had to base its appeal only on monetarism instead of on the much more popular issues of race and nation.

No, to answer my question, it was not going to be easy to build up a national conservative party as a major force in Argentine politics. But he was confident that he and his young lieutenants had a better chance than at any recent period, because of what had happened to the Army during the past few years. At the last election they had only got about 15 per cent of the votes. Next time it would be more like 25 per cent. Now would I forgive him for rushing off? For even conservative statesmen of no great stature—

broad smile—were very busy men. Seeing me off, Mario Hirsch invited me to spend next weekend at one of his *estancias*.

When I return to my hotel, there is a messenger with a note from a lady with a very grand Spanish name asking me to do her the honour of attending tonight's gala at the opera house, at which President Alfonsín will be present in her box. Please find ticket attached.

Take a taxi to the opera house, which is at least as large as Covent Garden, with enthusiastic crowds inside and outside cheering President Alfonsín, who arrives bang on time, preceded by just one police car. Although ceremonial guards line the main staircase, more practical security arrangements are

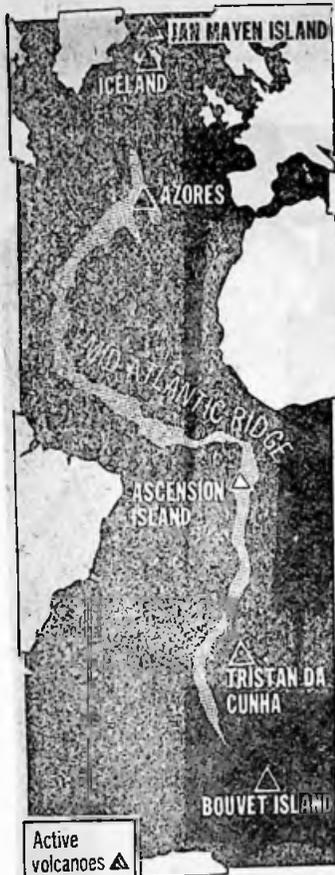
far less intrusive than they would be for a Presidential occasion in the United States. My seat turns out to be in the same balcony as the President's, along with about 20 others. But our hostess's hospitality does not seem to include effecting a presentation. Fortunately the chairman of the Anglo-Argentine Association is also one of the party and we chat together in English, although the President is within earshot.

Request denied

At first I rather hope that some deep-laid plot is afoot and that in the entrance I shall be summoned to a private enclave at which the President will ask me to be his special emissary to Mrs Thatcher. Unfortunately nothing of that sort happens, and the whole evening, in journalistic terms, is a bit of an anti-climax.

On returning to the hotel, I find a note to say that my request for a formal interview with the President has been refused. Presumably the invitation to the opera was a polite compensation for this disappointment. *Quelle finesse*. Can one imagine Mrs Thatcher going to the same lengths of courtesy to smooth a similar rebuff to the *amour propre* of a visiting Argentine journalist?

NEXT: The Argentine way with terrorism: the charm of Costa Mendez; his key galore in Patagonia.



Ascension Island lies right on the volcano ridge

Volcano threat to Falklands 'bridge'

by Simon Winchester

THE BRITISH government is spending tens of millions of pounds to build a permanent air base on its vital South Atlantic staging post of Ascension — despite warnings that the island is an active volcano with a history of highly dangerous eruptions.

The Ministry of Defence has ignored advice from geologists, who stress the need for a "volcanic hazard survey" of the island; and, to the surprise and chagrin of vulcanologists, the government has refused permission for scientists to go there to assess the likelihood of an eruption.

The leading expert on the geology of Ascension, Dr David Bell of University College, Oxford, says the island has "a very vigorous volcanic history" and that it is, in his opinion, "unwise" of the RAF and other defence organisations "to deploy such an immense amount of capital without being fully aware of the risk that might be being run".

Bell says that Ascension lies only 90 miles west of the Mid-Atlantic Ridge, a volcanic "structure" running between the North and South Poles.

"You have only to look at the islands on or near the ridge to see how great the risk might be," he told The Sunday Times. "Iceland, right on the ridge, has continuous activity. Jan Mayen Island has an active volcano; so has the Azores. Tristan da Cunha blew up in 1961; and we believe there was an eruption on Bouvet Island in the 1960s, too.

"In addition to this we have to remember that the type of rocks on Ascension are those characteristic of very hot, very fast and very dangerous eruptions. It is not an island where you would just get slow-moving lava flows, like Hawaii. Here you would get sudden, very violent explosions — just like Mount St Helens [in Washington State, America, which erupted in May 1980, killing 61 people]."

The Ministry of Defence and the Foreign Office have been made aware of the risk, having been in close contact with Bell and other specialists shortly after the Falklands war, when the government was beginning its build-up on Ascension.

There has been an American base and a monitoring station of the American National Aeronautics and Space Administration (Nasa) on Ascension for some years.

There is also a vital outstation of GCHQ — the government's spy centre — on the island's eastern side (operating under the title of the Composite Signals Organisation) and a highly secret and largely underground base operated by the American electronic intelligence organisation, the National Security Agency. Bell and others assume that geologists have been barred from the island because of recent developments of these intelligence stations.

"Until the Falklands war we would get our people on to Ascension with almost no trouble at all," says Bell. "But since then all our applications to go have been turned down.

Ascension's principal visible role post-Falklands has been as a mid-ocean staging post for the Falklands air bridge. (It has always been a staging post for secret military operations; the South Africans have apparently landed cargo planes there, bringing Mirage fighters southwards from Israel to Cape Town.)

The new British air base has almost been completed at what is called the Two Boats site, halfway up the main volcano's flanks, at a reported cost of £40m. (The cost is hidden in the price for what is being called "Margaret Thatcher International Airport", currently under construction on East Falkland.) The base was seriously damaged earlier this summer by floods.

DIARY

THE NEXT Chief of Defence Staff will not be Air Chief Marshal Buggins, as befits his turn, but Admiral Sir John Fieldhouse. Precedent has been broken with and a navy man appointed to succeed Field Marshal Sir Edwin Brammall rather than the Airforce man—ACM Sir Keith Williamson, who was next in rotation.

Admiral Fieldhouse is thought to owe his preference to the support of Mrs Thatcher, who was greatly impressed by his job as Commander-in-Chief, Fleet, in overall command of the Falklands operation. By contrast she is thought not to have been greatly impressed with the performance of the RAF, whose bombers in particular could only nibble at the verges of Port Stanley airport.

Moreover it is thought he will give a sympathetic hearing to Mr Heseltine's long-term plans for some streamlining of the services.

But poor old Admiral F (recreations: home, family and friends) has had a rough time of it since news of his appointment began to seep out inside the MoD.

The Sunday Times 27/5/84

● *WHATEVER* MPs' views on the Falklands war, Tam Dalyell, the Old Etonian Labour member, has won much admiration for his dogged pursuit of the government over the sinking of the General Belgrano two years ago. He is thought to have contributed greatly to the House's knowledge, even if he has occasionally irritated members by raising the topic in debates ranging from stubble burning to tax reform. So it must be regretted that Michael Heseltine, secretary of state for defence, wrote recently to him saying that he was no longer prepared to waste his civil servants' time by researching the answers to Tam's penetrating questions.

The Sunday Telegraph 27/5/84

How pumps failed at fatal Falklands fire

A COMMISSION of Inquiry into the fire at the King Edward Memorial Hospital, in which eight people died, heard that two of the fire brigade's water pump engines had failed to work and it had taken at least 15 minutes to get things working.

Mr Patrick McPhee, the local fire superintendent, agreed with Mr John Laws, counsel to the commission, that his volunteer fire brigade did not have sufficient equipment.

The vehicle carrying the hoses was over 40 years old, he said. A Landrover was 20 years old and a converted Argentine fuel tanker had been the only means of transporting quantities of water to the 70-year-old hospital.

He also admitted that he did not know who was in overall control of fire prevention at the hospital.

By PATRICK WATTS in Port Stanley

A nurse of the Queen Alexandra's Royal Army Nursing Corps told the four commissioners how the evacuation of military wards had been hampered by a bed blocking the emergency fire exit.

She described how the bar on the fire door of one prefabricated building had "come off in the hand" of a serviceman trying to open it. Eventually it had to be kicked in to tary patients escaped.

Fire doors between the wooden civilian wing and the new military wards had been blown out by the heat.

A serviceman who had been on duty on the morning of the fire told the commission that there was confusion as to whose duty it was to check the hospital during the night as part of fire prevention measures.

The commissioners heard many accounts of acts of bravery by British servicemen who had entered the hospital without breathing apparatus to save the lives of old women and a Roman Catholic priest.

An English nurse, Miss Barbara Chick from Bristol, was one of the eight who died in the fire.

Several service personnel who had completed their tours in the Falklands and returned to Britain have been recalled to give evidence before the commission.

Daily Mail
29th May 1984

Clash over hospital hoses

CIVILIAN and Army officials had a row about unfinished safety work less than 24 hours before the Falklands hospital blaze in which eight died.

The islands' director of public works, Mr George Webster told the inquiry into the tragedy that discussions between himself, senior medical officer Dr Alison Bleaney and military representative Captain Ward were 'very heated.'

Mr Webster said he was being pressed by Captain Ward to explain why only half the hospital's fire hoses had been installed and water supplies not connected.

He reported that his plumber had been with-

drawn from the hospital to repair damage caused by soldiers and Army vehicles.

He had then added: 'Now we have another priority, installing central heating in a house to be handed over to the military.'

Mr Webster said he had only mentioned the central heating, claimed at the previous day's hearing by Dr Bleaney to be the sole reason for the halting of hose work, because of 'the heat of the occasion.'

In fact, conceded Mr Webster, work had not started on the house—No. 8, Ross Road West—at the time of the argument and has still not been completed.

ASTIZ ACCUSED

By Our Buenos Aires Correspondent

Capt Alfredo Astiz, the Argentine naval commander who surrendered to British forces on South Georgia, has become the 16th senior Argentine officer to be placed at the disposition of the Armed Forces Supreme Council for alleged negligence during the Falklands conflict.

FALKLANDS' CALL TO CURB FISHING

The overnment is being urged to stop serious over-fishing around the Falklands. A campaign has been launched to link British and Argentine conservation group to try to get controls implemented.

Soviet, Polish, East German, Spanish and Japanese vessels are involved. "Something must be done quickly," said Mr Simon Lyster, secretary of the Falkland Islands Foundation, which began the campaign.

The Times 25/5/84

Astiz for trial

Buenos Aires (AFP) - Navy Captain Alfredo Astiz, accused of human rights violations under Argentina's military regime, has been handed over to military authorities to be prosecuted for surrendering to the British without resistance in the South Georgia Islands.

Alfonsin, Peron reach accord

BY JIMMY BURNS IN BUENOS AIRES

ARGENTINA'S President Raul Alfonsin and Sra Maria Estela "Isabelita" Peron, the leader of the opposition Peronist Party, have reached broad agreement on the need to collaborate in the pursuit of common solutions to the country's most pressing economic and political problems.

A statement issued by Sra Peron after a brief round of talks with Sr Alfonsin on Monday said she had agreed in principle to support the President's call for reconciliation "in the national interest," and would maintain a permanent "dialogue" on future policy.

The result of the talks is an important psychological boost

for Sr Alfonsin as he tries to broaden domestic support for what could be a series of critical decisions over the next few weeks on foreign debt, a prices and incomes policy, and the territorial disputes over the Beagle Channel and the Falklands.

Nevertheless government officials yesterday privately cautioned against excessive optimism at this early stage and indicated there were still major hurdles to overcome.

Significantly by late yesterday afternoon the presidential office had yet to issue its own public comment on the talks amid signs that re-emerging

divisions within the Peronist Party could severely test Sra Peron's leadership.

An internal party document leaked yesterday accepts the need for a truce with the government, but warns Sra Peron against being too conciliatory by sacrificing partisan interests.

This view was expected to be put to Sra Peron by leaders of the Peronist-dominated main trade union organisation.

The government was yesterday given a warning that unions will not willingly accept a trade-off involving wage restraint when railway and Metro workers threatened strike action.

Peron's promise irritates her supporters

From Jeremy Morgan in Buenos Aires

Argentina's self-exiled opposition leader, Mrs Isabel Peron, pledged almost unconditional support for the Government when she met President Alfonsin for talks on solving the country's problems.

The Government issued no statement about the talks, which lasted about 30 minutes. But a spokesman for Mrs Peron said afterwards that she had told President Alfonsin she could count on her Peronist mass movement "for all that interests the destiny of our nation."

The promise quickly pro-

duced signs of discomfort and irritation among the union-based leadership of the movement. Mrs Peron appears to have gone out of her way several times and in several ways to stress that she was not about to lead Argentina's biggest political force on a destructive campaign against the Government so soon after the return to democratic rule last December.

President Alfonsin invited Mrs Peron, overthrown by the military in 1976, to return home for national unity talks in an attempt to strengthen his position in renegotiating the terms of Argentina's foreign debt and in its disputes with Britain and Chile.

A Peronist statement said he told Mrs Peron and more than 30 Peronist leaders: "We Argentines should present ourselves before the world with all the vigour we can derive from national unity."

A Peronist spokesman said that the talks would continue but added that it was too early to say if Mrs Peron would meet President Alfonsin again.

Despite a sweeping victory in elections last October, President Alfonsin still needs the support of the Peronist Party, which virtually controls the Senate and the labour movement.

A Peronist spokesman would not say if any agreement had emerged from the talks.



● Mrs Isabel Peron

TV Mail

Daily Mail, Tuesday, May 22, 1984

Do cry for them Argentina

ANYONE who still believes in the essential goodness of mankind would have had a hard time sustaining such optimism after last night's unnerving Panorama (BBC 1) report about 'the lost children' of Argentina.

Here was a tale of cruelties so monstrous that one can scarcely write about them calmly. The term 'police state' is much banded about nowadays, not least here in Britain. But we don't know how lucky we are. When it comes to police states, Britain doesn't even make the junior league. Argentina, on the other hand, was the real thing.

Fred Emery reported from a land newly liberated from junta rule. The freedom to vote and speak as you wish has returned to the streets, and with it has emerged the whole devastating truth about the years of repression. Emery described the Argentines as a nation traumatised by these discoveries.

He dealt mainly with the children of parents slaughtered during the reign of the Generals, when an estimated minimum of 8,000 Argentinians

were 'disappeared' into torture chambers and mass graves.

The victims included many young pregnant mothers. It was official, well-attested policy to manacle the mothers to their beds during delivery and to slaughter them after their babies were born, sometimes within hours of giving birth.

The babies were given away or sold for adoption, usually to military families who could be relied upon to bring them up to respect their masters. Children at the toddler stage fared no better. A current smash hit song in Argentina has caught the national trauma. It tells the poignant story of a woman searching the city for a lost child, snatched away by security forces while playing in a park.



TELEVISION REVIEW
BY HERBERT FREYHAMMER

It is predicted that rights of adoptive parents v. natural family will be disputed in Argentine courts for decades to come. There are many rival claimants and much bitterness.

The policy of slaughter was studied and calculated. It was the junta's belief that jail sentences did not change any minds, but only strengthened existing convictions.

There was no shortage of men willing to do the dirty work. One prominent Buenos Aires citizen, whose daughter has been murdered, recalled his own torturers: 'All of them were like madmen... you felt in the presence of death.'

The ultimate aim was the elimination of all shades of unofficial opinion. I can think of few words more chilling than those by Argentinians

General St. Jean describing a systematic time-table of State murders: 'First of all we'll finish with the subversives. Then with the collaborators. Then with the sympathisers. Finally with the indifferent.'

The man who spoke those words was a senior member of General Galtieri's cabinet. Pause and reflect that this was the regime which sought to occupy the Falklands two years ago. It may be imagined how the islanders, wholly opposed to the invader and unlikely to be persuaded otherwise, would have fared in Argentine hands had Galtieri's gamble paid off.

I still hear people going around disapproving loudly of Britain's swift response to the invasion, describing it as a belated imperialistic adventure, the last gasp of an exhausted bulldog, and so on.

Let them concede, if they are honest, and leaving aside all notions of 'sovereignty', that the British victory in the South Atlantic undeniably saved an entirely innocent community from the attentions of an occupier who had already shown himself to be capable of almost unimaginable barbarism.

Soldier Magazine
21st May 1984



THE NEW £20 million floating port and warehouse complex which will be the future gateway to the Falklands for ships delivering stores for the Services based in the South Atlantic has been handed over to the military.

Major General Keith Spacie, Commander British Forces Falkland Islands and Military Commissioner, "took delivery", on behalf of the Ministry of Defence, and unveiled a plaque.

The Falklands Intermediate Port and Storage System (FIPASS) 1½ miles east of Port Stanley, is expected to pay for itself

in a year by allowing two chartered ships, anchored in the harbour as floating warehouses, to return to Britain. The port is based on six barges — each 300 feet long — on which have been erected four warehouses and administrative offices.

More than 16,000 different items, ranging from office desks to vehicle engines, will be stocked there. The "Flexiport", capable of accepting vessels up to 1,000 feet in length, will enable ships to be turned round in two or three days instead of up to two weeks.

A welcome boost . . .

FOCUS:
on the:
Falklands



DEFENCE FORCE BATTLE CAMP MAKES HISTORY

THE 1st Battalion The Royal Scots (The Royal Regiment) has been involved in the running of the Falkland Islands Defence Force Battle Camp.

The one week camp, under the direction of the Battalion's Training Officer, Captain Julian Curl, was held at Fox Bay on West Falklands.

With his team of ten NCOs, Captain Curl instructed the 47 members of the FIDF on all aspects of weapon handling and fieldcraft.

It was the first time the FIDF had assembled for this type of training since it was reformed after the Falklands War. Indeed, the Stanley and "camp" (the area of Falklands outside Stanley) platoons have not trained together since 1946!

It was particularly fitting that it should have been The Royal Scots to run the first such concentrated training, as the FIDF has a long association with Scotland, where many members have connections.

Mrs Sharon Halford, the only female to attend the battle camp,

Thanks to The Royal Scots

has an aunt, Dot Finlayson, living in Carnoustie and her uncle, Howard Duncan, lives on Mull.

Sharon was working in Perth until 1982 — for the British Army! She was a typist at the Headquarters of 51 Highland Brigade.

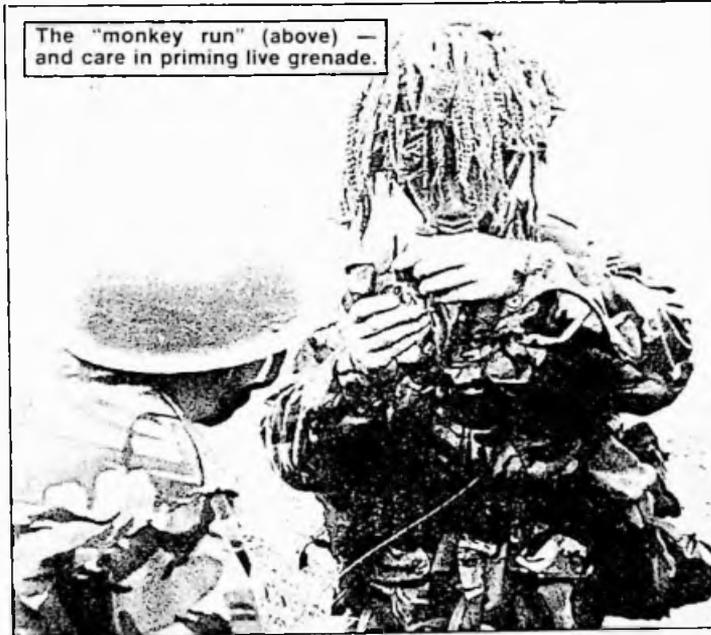
The battle camp was thoroughly enjoyed by all members of FIDF whose Officer Commanding, Major Pat Peck, said that it had been extremely valuable training and hoped similar camps could be run on a more regular basis.

At the end of the week a party was held at Fox Bay for all the students and staff which was attended by The Royal Scots Commanding Officer, Lieutenant Colonel Patrick Cardwell Moore.

All the students were presented with a Royal Scots mug.

Sir Rex Hunt, Civil Commissioner, visited the camp and had lunch in the field with the FIDF and the training staff.

The local force has worn Scottish



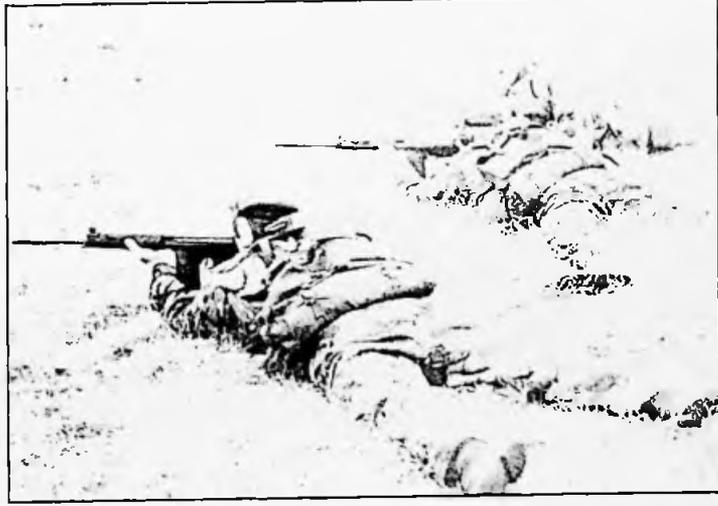
The "monkey run" (above) — and care in priming live grenade.

head dress "off and on" since 1848. During that year "30 men were provided with blue guernsey frock jackets and Scottish tartan bonnets at a cost of £39 13s 0d". Sadly, the tam-o-shanters worn by the FIDF have been replaced by a khaki beret — but hardly surprising, as the

force is now affiliated to the Prince of Wales's Own Regiment of Yorkshire. This affiliation stems from when a Battalion of the West Yorkshire Regiment was stationed in the Falklands during the Second World War from 1942 to 1944.



Sir Rex Hunt is greeted by Captain Julian Curl on his visit.



Members of Falklands Islands Defence Force get SLR coaching.



The former Argentine president, Senora Isabel Peron, waving to her supporters when she arrived in Buenos Aires from Madrid yesterday for talks with the new democratic government.

ISABEL PERON RETURNS

By MARY SPECK
in Buenos Aires

EX-PRESIDENT Isabel Peron arrived in Buenos Aires yesterday from Madrid to participate in a political dialogue with President Raul Alfonsin of Argentina.

Several thousand supporters, waving flags and posters greeted her at the airport. She made no public statement.

Senora Peron was invited to return to Argentina by President Alfonsin earlier this month. The Radical party government hopes she will resume leadership of the Peronist party, which has been bitterly divided since its defeat in the October presidential elections.

Foreign debts

The Government needs to talk with a legitimate opposition spokesman to achieve a national consensus on reaching an agreement with the International Monetary Fund to renegotiate foreign debts. It also needs bipartisan support if it hopes to work towards normalising relations with Britain.

Despite Government denials that it will accept an IMF-imposed austerity plan, unions have already begun attacking the Radicals for "selling out" to international creditors by holding down monthly wage increases.

Although she has lived outside the country for three years, Senora Peron still holds the title of party president.

Mrs Peron has few words for party's old guard

From Jeremy Morgan
in Buenos Aires

Former president "Isabel" Peron returned to Argentina yesterday with barely a word for the Peronist figures who turned out to greet her.

There were smiles for the press and banner-waving party faithful who braved the damp and chilly morning to shout a noisy welcome for the nominal head of what remains Argentina's biggest political machine, despite last October's election defeat.

But the only thing she was heard to say to a phalanx of the political powerbrokers, labour leaders, Peronist congressmen and oldtime party workers still battling for control of the movement in her absence was "you must behave

yourselves." She was then whisked off to a hotel surrounded by tight security.

Mrs Peron's remark recalled her last visit, for President Raul Alfonsin's inauguration last December, when she read a short but pointed message on observing the rules of democratic behaviour.

Her coolness on arriving this time was taken as a sign of displeasure because few Peronist leaders yet seem to have taken that lesson to heart. She is preparing for talks with the radical government about several sensitive issues, and the most pressing will be austerity measures demanded by Argentina's economic crisis and its foreign debts.

But she has come back to a

Peronist movement as divided as when it lost the elections. The internal feuding that continues to plague the movement has so far frustrated all the government's hopes of reaching a basic understanding with the only opposition that really matters outside military circles.

The government put itself through several uncomfortable hoops to ensure Mrs Peron's return, but it remains a moot point whether all the efforts will be worthwhile.

Mrs Peron is publicly revered by the Peronists, even though some of them cannot abide her and many privately concede her government, ousted in a military coup eight years ago, was one of the most inept in Argentine history.

The Guardian
21/5/84

McMillan-Scott Associates Public Affairs

41 Whitehall London SW1A 2BZ Telephone 01-9306935

Excitement at Isabel's return

From Douglas Tweedale
Buenos Aires

The political passions aroused by the name Perón in Argentina flickered briefly again yesterday as ex-President María Estela Martínez (Isabel) returned from her Madrid home on the eve of key political negotiations with President Raúl Alfonsín.

Dozens of Peronist dignitaries and hundreds of rowdy supporters turned out at Buenos Aires airport to greet the inscrutable Señora Perón, who has kept her political intentions a closely guarded secret.

Other groups of supporters cheered her along the 30 minute drive into the city centre and mounted a colourful vigil, waving banners, banging bass drums and scuffling with police outside the hotel where she is staying.

Señora Perón is to represent the party which bears her late husband Juan Perón's name at the first of a round of talks which President Alfonsín has called with opposition parties this evening.

The purpose of the talks, according to Government officials, is to reach a minimum national consensus on a strategy to solve the country's principal economic and political problems.



Back home: Señora Perón at Buenos Aires airport yesterday

In a speech on Thursday night, Señor Antonio Tróccoli, the Interior Minister said the top item on the Administration's agenda would be to seek agreement on renegotiation of the country's \$43.6 billion (£31 billion) foreign debt, which he called "a problem which we must remove from the cold and speculative environment of the bankers."

● Hotel clashes: Several people were injured in clashes outside the hotel where Señora Perón was staying (AFP reports).

ISABELITA FLIES IN FOR TALKS WITH ALFONSIN

Argentina searches for consensus

BY JIMMY BURNS IN BUENOS AIRES

THE LEADER of Argentina's opposition Peronist Party, Sra Maria Estella "Isabelita" Peron, arrived from Spain yesterday to head a round of talks with President Raul Alfonsin, aimed at achieving a broad national consensus on key economic and political issues.

The talks, to begin today, will be principally aimed at forging a common domestic front on the debt question. Government officials have indicated that they would like to see the Peronists publicly endorse the prospect of accepting one of two basic alternatives.

These would be either an agreement with the IMF before the end of the month on the condition that this does not imply a retrenchment of the economy; or an attempt to pursue a more flexible response in direct negotiations with com-

mercial banks after the break-off of talks with the Fund, backed up by an implicit threat of a formal repudiation of the debt if no compromise is reached.

Sra Peron has kept a discreet distance from Argentine politics ever since she was first exiled to Spain by the former military regime in 1981 — with the exception of a brief visit to Argentina last December.

But her political star has been rising again in recent weeks as a potentially crucial bridgehead between the Government and the disparate opposition forces. In recent weeks the Peronists have been using their majority in the Upper House or Senate and their domination of labour to obstruct Government policy.

Sr Alfonsin is banking on Sra Peron having retained her influence on the party as its titu-

lar head and as the fount of the Peron mystique. She was the third wife and only surviving heir of the party's charismatic founder, the late General Peron, who died in 1974.

Sra Peron has made no detailed statement about her political intentions, although she has broadly indicated her willingness to collaborate with Sr Alfonsin in helping to consolidate democracy.

Sra Peron has apparently overcome her reluctance to abandon her comfortable existence in Madrid following the approval of a parliamentary motion on Friday exonerating her from any further judicial proceedings linking her to the Triple A, an outlawed Right-wing terrorist organisation, and misappropriation of public funds, during her short-lived presidency (1974-76).

'Sombre panorama for growth'

THE TEXT of the formal statement released by Brazil, Mexico, Argentina and Colombia on Saturday, reads:

"We, Presidents Raul Alfonsin of Argentina, Joao Figueiredo of Brazil, Belisario Betancur of Colombia, and Miguel de la Madrid of Mexico, express our concern over the fact that the aspirations of our peoples for development, the progress of democratic trends in the region and the economic security of our Continent is being seriously affected by external factors beyond the control of our governments.

"We assert that successive increases in interest rates, the prospect of new increases, and the proliferation and intensity of protectionist measures have created a sombre panorama for our countries and for the region as a whole.

"Our countries cannot indefinitely accept these risks. We have expressed our firm determination to overcome the dis-

equilibriums and to re-establish the conditions for the resumption of economic growth and the process of raising the standard of living of our peoples.

"We were the first to demonstrate our diligence in fulfilling our financial commitments in ways compatible with the interests of the international community. We do not accept being pressed into a situation of forced bankruptcy and of prolonged economic paralysis.

"We consider indispensable that the international community initiates, without delay, a concerted effort aimed at defining actions and co-operation measures which would permit a resolution of these problems, particularly in the interrelated sectors of commerce and international finance.

"In consequence, we, the presidents, propose the adoption of concrete measures in order to promote substantial changes

in international financial and commercial policies, which would enlarge the possibilities of access for our countries' products to the markets of the developed countries, represent a substantial and effective relief from the weight of indebtedness, and ensure renewed financial flows to development.

"In particular, adequate amortisation and grace periods, and a reduction in interest rates, margins, commissions and other financial charges must be obtained.

"In view of the above, we are calling a meeting of the foreign ministers and finance ministers of our countries, to hold, as soon as possible, a meeting, to which ministers from other Latin American countries will be invited, aimed at defining the most appropriate initiatives and means of action capable of reaching solutions satisfactory to all interested countries."

TIME - 21.5.84

Haig's History

Your excerpts of Alexander Haig's memoirs dealing with the Malvinas war [April 9] are startling. General Haig claims that Argentina was intransigent and that I was "hardening the Argentine position and making resolution impossible." However, during that same period when he was in Buenos Aires, Haig told us that President Reagan and others in Washington had found no intransigence in Buenos Aires, but rather had perceived a serious effort on Argentina's part toward solving the problem.

Further, Haig claims that after agreeing to conditions that would bring about a cessation of hostilities in the Malvinas, I then put forth a tougher Argentine position. "Once again," he says, "in an exercise of bad faith unique in my experience as a negotiator, the Argentines had gone back on their word and returned to their original, impossible terms." It should be known that two days after this incident, Haig wrote me stating, "The paper developed in Buenos Aires has not been rejected by Britain. Some modification is inevitable. But I continue to believe that it is the right framework in which to seek a solution." Haig alleges that Argentina negotiated in bad faith. We have strong doubts about his own good faith.

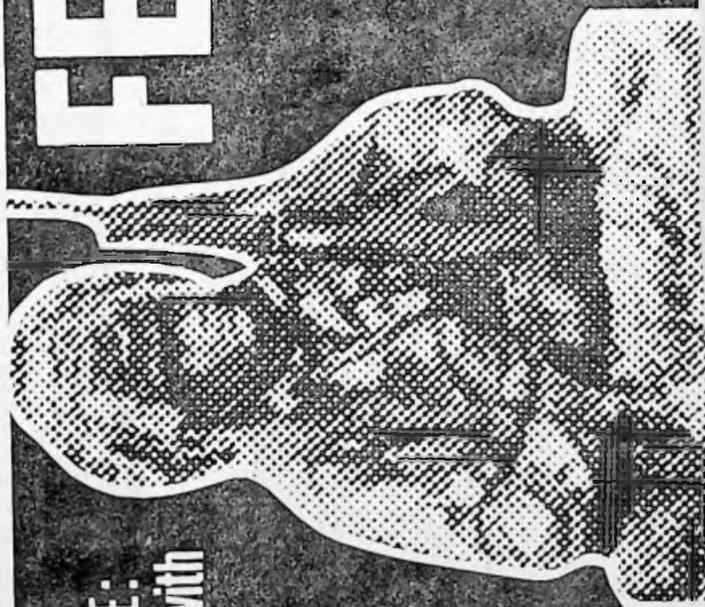
Nicanor Costa Mendez

Former Foreign Minister of Argentina

Buenos Aires

General Haig stands by his history of the events that occurred during the Falklands crisis.

FED UP, FROZEN AND FULL OF PENGUIN ALE



EXCLUSIVE:

On duty with
our boys
in the
Fortress
Falklands

DAVID
JONES
reports
from
Port
Stanley

cont..

Pat's red undies flutter in Toad Hall

SEXY blonde divorcee Pat Stockham is keeping the Falklands boys' spirits up by sending them saucy snaps of herself.

Photographs of 49-year-old Pat topless and in black undies adorn the walls of "HMS Toad Hall", a billet for six sergeants outside Port Stanley.

In a thick file are scores of titillating cards, letters and poems sent by Pat from her home in Trinity Road, Taunton, Somerset.

One letter begins: "My lovely, sexy men in another, Pat boasts of taking on a whole company of Marines.

LOVE

Mother-of-two Pat said: "These young lads love older women—they want to learn what it's all about."

"I've been writing to Toad Hall for over a year since the boys there advertised in a newspaper for pen-friends.

"But I've never met any of them, I don't know what I'd do if one of them suddenly turned up on leave. I'm just a prostitute, I'm just a fun lady."

Pat revealed that her live-in lover Gordon

Baker was in the dark about her letters.

She added: "He knows what I'm like, but he doesn't know I've been doing this."

At Toad Hall, the sergeants' most treasured trophy is a pair of Pat's frilly red and black briefs which hang among the photos.

Staff Sergeant Steve Slater, 26, from Fazakerley, Liverpool, said: "The top brass turn a blind eye because they reckon it's good for morale."

Our boys may be lonely in the Falklands, but it's a different story for our girls.

There are 40 of them and they are outnumbered A HUNDRED TO ONE!

The only Service girl to get jeers instead of wolf whistles is blonde Military Police sergeant Carole Wilkinson, 24.

And she said: "There are plenty of drunken squaddies and seamen to keep me busy."

Send out more girls plead the squaddies

to their billets from going-home parties almost every night.

Meanwhile, locals, hurt that fellow-Britons should so despise their beloved islands, lower their woolen-hatted heads and scurry to the safety of their cottages.

For too many soldiers the frustration leads to boozing and brawling.

TEMPERS

At the new military hospital three of the nine patients had broken noses these bleak and breeless islands.

Two hundred and fifty-five brave young Britons died in the war with the Argentine invaders.

Now the soldiers' biggest battle is against monotony.

The top brass of Fortress Falklands try to keep up morale and claim the boys are knocking down to a "jolly good tour."

But the question most asked among the troops is: "How long to go, mate?"

The only happy squaddie in Stanley is the "Guzzomie"—one counting the last few days before he goes home.

Soldiers laden with carry-out beer reel back

trouble. Even before the soldiers arrived girls were outnumbered six to one by the island boys—dubbed "Bernies" after the simple-minded character in TV's Crossroads.

Now the ratio has gone up to 35-1.

Girls used to go straight from school into marriage with boys they had known all their lives.

Now some wear make-up, visit the new Unisex hair salon and hang out in tight jeans and combat jackets given by our love-em-and-leave-em lads.

With Stanley's 900 population more than quadrupled, civil commissioner Sir Rex Hunt appealed to the News of the World to ask women readers to consider life in the Falklands. Morale is higher on remote outposts like Mount Alice—a blizzard-lashed peak 112 miles west of Stanley where 80 Army and RAF lads keep watch for possible Argentine intruders.

Coping with the freezing conditions leaves them no time for traditional Army bull, and they relish little treats like a weekly lot of rum.

"It's bloody awful here," said Neil O'Shaughnessy, from Lancaster. "And I know in 18 months I'll have to come back."

"But it's my job and I'll do it as best I can."

The bull fight

FALKLANDS soldiers are angry about having to go back to old-fashioned Army bull, with parade drill, short haircuts and polished buttons.

Corporal Ken Meek, from Blackpool, said: "Once they didn't mind if your boots were dirty. They accepted we were doing a hard job in tough conditions. "The job hasn't changed but now they've brought back the bull, it's stupid because it will only make the lads here more miserable . . . and they hate it already."

SAPPER Shakey Brown watched his mates knocking back pints of Penguin ale and said: "If the Argies plan to come back they should do it on a Saturday night."

"The garrison are stoned out of their brains then."

And he echoed the feelings of other fed-up Falklands squaddies when he added: "I don't know why we don't give this hole back to them anyway."

The message home from 22-year-old Shakey and the rest of the 4,000 troops here is: "It ain't half boring, Mum!"

Sitting out a four or five-month tour of duty in a freezing climate 8,000 miles from their loved ones, they wonder what the war with Argentina was all about.

"You look round at the few houses and you can't believe we fought just for this," said airman Andy Kiernan, 24, from Wallhamston, London.

It is exactly two years today since the first wave of troops landed at San Carlos Bay to recapture these bleak and breeless islands.

Two hundred and fifty-five brave young Britons died in the war with the Argentine invaders.

Now the soldiers' biggest battle is against monotony.

The top brass of Fortress Falklands try to keep up morale and claim the boys are knocking down to a "jolly good tour."

But the question most asked among the troops is: "How long to go, mate?"

The only happy squaddie in Stanley is the "Guzzomie"—one counting the last few days before he goes home.

Soldiers laden with carry-out beer reel back



CAROLE: Outnumbered by 100 to one



PAT: "These young lads love older women"

Private Eye 18th May 1984

HUGO GOBBI, fired as Argentina's deputy foreign minister in March for getting up his boss's nose, is telling his buddies that a deal with Britain and the US over the Falklands and their dependencies has been done. Britain is to take South Georgia and the South Sandwich Islands, while Argentina is to get the Falklands themselves.

This carve-up suits the Argies, who take in with mother's milk the notion that the Malvinas are theirs but are hazy about where and what the other bits of rock are.

And it is just the ticket for HMG because the Treasury will unload the heavily-subsidised keepers and the expensive fortress that protects them.

Washington, too, likes the way out of the mess because the dependencies allow command of a much greater expanse of oil-bearing, protein-teeming, strategic ocean than does the inhabited archipelago.

Gobbi admits that his ministry tried to put together a case for laying claim to the dependencies, but could not manage it. Unlike the Falklands, the other islands were never occupied by Argentine forces until the recent fisticuffs. Besides, the Foreign Ministry in Buenos Aires was embarrassed to find that, in 1905, an Argentine whaling company, operating out of godforsaken Grytviken, signed a paper that in effect recognised British sovereignty over South Georgia.

Meanwhile, the FCO is quietly raising a glass to the long-gone civil servant who, cannily exceeding his brief in choosing pictures to appear on those dreary Falkland Island Dependencies stamps over the years, used to paint out the blue and white Argentine colours from the funnels of ships photographed in Grytviken harbour.

Now - as the career diplomats in Whitehall, Washington and Buenos Aires agree - patience and silence are to be kept until the politicians are able to break the news.

Falklands lamb deal

by John Ezard

AN "IMPORTANT trade link" was forged yesterday between the 4,000-strong garrison and 1,800 civilians on the Falklands.

The contract, announced yesterday, has involved the local butcher, Mr Laurie Butler, in spending thousands of pounds to upgrade his slaughterhouse to meet EEC hygiene regulations.

The contract covers the slaughter of 2,500 sheep a year, about half the force's requirements. But they will pay between four and five times the rock-bottom local price of 17p a pound. Islanders, who call mutton "365" because of the number of days a year in which it figures in the diet of some of them, are accustomed to being offered meat from animals which have grown too old to yield good wool.

Pressure for inquiry renewed

BELGRANO

An allegation in a biography of Mrs Margaret Thatcher that she had "told an unparliamentary word" about the Argentine warship Belgrano should be the subject of a statement in the Commons, Mr Tam Dalyell (Lithgow, Lab) said during business questions.

He asked Mr John Biffen, Leader of the House: Has he got round to reading the latest biography of his leader by Bruce Arnold with the statement on page 72 that Margaret Thatcher told an unparliamentary word.

As Hamish Hamilton have expert libel lawyers and are a reputable London publishing house, should we not have a statement as to whether she told an unparliamentary expression about the Belgrano?

Mr Biffen: I hope am not contravening the fourth amendant, or doing myself undue harm, but I have never read any biography of my leader. (Laughter) I just find it more congenial to proceed that way.

As to Mr Dalyell's suggestion, I will of course refer it to the appropriate quarters.

Confidence in Hong Kong

HONG KONG will revert to China in 1997, when the lease on most of its territory expires, Sir Geoffrey Howe, the Foreign Secretary, made that clear enough in the House of Commons on Wednesday. There can be no turning back now and, like the handing back of a foster child to its natural parents after years of estrangement, the months and years ahead call for a mixture of care and realism if China and Britain are to achieve their objective of assuring the territory's future prosperity and stability.

Sir Geoffrey made a start in his Commons speech by tackling what could become one of the more distressing consequences of a failure to reassure Hong Kong's 5.3m people that their way of life will remain largely unchanged under Peking rule. This is the painful question of whether Britain's doors will, or should, be open to those who vote with their feet and, as British dependent territory citizens, apply to settle in the UK. Many already have, and many more will join them as 1997 approaches.

Under the 1981 Nationality Act, these British nationals do not have the automatic right of abode in Britain. Regrettable though this may be, the harsh reality is that there is no political constituency, either in the Government or the Opposition, for allowing a massive influx from Hong Kong, as the threadbare presence of Labour members during Wednesday's Commons debate clearly demonstrated.

Binding

However, should there be such an exodus, the world will look to both Britain and China in the first instance. This, in itself, should act as a powerful incentive for both governments to work out an agreement which reassures the people of Hong Kong and persuades them to stay on in the territory in the run-up to, and beyond, 1997. Such an approach does not necessarily exclude a sympathetic approach to individual cases by Britain.

It would be desirable if an agreement was concluded by September, the deadline set by China, to soothe the territory's frayed nerves. It would be even better if it was internationally

binding and sufficiently detailed in substance to weave a net of confidence during the period of transition from British to Chinese rule.

The British Government should press for concrete arrangements which secure Hong Kong's future as an international financial and commercial centre. Continued membership in regional and world economic bodies such as Gatt, the Multi-Fibre Arrangement and the Asian Development Bank would be one way of doing this. A central bank, separate from the Bank of China, to underpin confidence in the Hong Kong dollar as a convertible currency, might be another.

Assurances by China that Hong Kong would maintain a separate legal system are vital. It would be desirable, also, if responsibility for public order in the colony was left to an independent police force, as opposed to an arm of China's security forces.

Survive

But none of this, no agreement, will guarantee Hong Kong's future, as Sir Geoffrey rightly pointed out. Even though China's turmoil since the revolution in 1949 has only briefly spilled into Hong Kong, its record for continuity is not impressive.

There have been five Chinese constitutions. Who is to say that the one incorporating pledges to Hong Kong will not be torn up or amended like its predecessors?

Only experience is likely to persuade the *laissez-faire* people of Hong Kong that they can survive cheek by jowl with a communist system. Arguments such as Hong Kong's economic benefits to China and Peking's desire to regain sovereignty over Taiwan peacefully are not strong enough in themselves. In the end, internal politics have always dictated Chinese economic and foreign policy.

An agreement must, therefore, be seen to work before it becomes dependable. This argues powerfully for a continuing process of consultation between Britain and China up to 1997, taking increasing account of the views of the Hong Kong people as they come to terms with a unique situation which requires a unique solution.

Hong Kong call to build for future

From Emily Lau in Hong Kong

Community leaders and political organisations yesterday called on the people of Hong Kong to unite to build a better future after the debate in the House of Commons which many people here feel shows that the colony is now on its own.

The Foreign Secretary, Sir Geoffrey Howe, conceded in the debate that Britain did not have a strong hand and could not maintain an important role in the sovereignty or administration of Hong Kong, when the lease runs out in 1997.

Sir Geoffrey stressed the importance of ensuring that the people of Hong Kong knew the terms of the agreement which Peking insisted must be reached by September, and that they should have time to express their views. But other speakers, including Mr Edward Heath, felt that this was unrealistic.

Unofficial members of the Executive and Legislative Councils said the debate was useful. They were glad to learn that the agreement with China would contain as many assurances as possible and would be internationally binding.

"Our job was to reflect the views of the Hong Kong people. It's up to Parliament to decide what to do," said one unofficial member, Miss Lydia Dunn.

The business community said the debate was predictable and nothing new had been revealed. The secretary-general of the Chinese Manufacturers' Association, Mr Lee Jark-Pui, said more details could have been revealed if the commercial sector was to be reassured.

The director of the Hong Kong General Chamber of Commerce, Mr Jimmy McGregor, said some MPs had failed to understand Hong Kong's situation.

Since Sir Geoffrey Howe's announcement on Good Friday that there will be no British administration in Hong Kong after 1997, the stock market has dropped 200 points. Surprisingly today it reacted mildly with a slump of only 15 points to close at 934.



Sir Geoffrey Howe: restrictions on action

Patrick Keatley adds: Members of the delegation of Hong Kong councillors who came here for the Commons debate said in London last night that two key points emerged from their meetings with Mrs Thatcher, Sir Geoffrey Howe, and MPs at Westminster.

The British Government must come up with a test of acceptability that commands the respect of the people of the territory, when the draft of the Sino-British agreement is made public. And British ministers must put political power behind the proposals for extending democracy upwards in Hong Kong, from district councils right through to the legislature.

Some members of the nine-member delegation said after their farewell news conference that they now want to carry out the parallel exercise to this London mission, and make an official journey to Peking.

Several of them, notably Mr Allen Lee, of the Legislative Council, have already visited Peking as members of informal delegations and were well received by members of the Politburo.

The leader of the London mission, Sir S. Y. Chung, was noncommittal when asked about the prospects of a follow-up visit to the Chinese capital. There are problems of protocol to be dealt with.

Way cleared for return of Peron

From Jeremy Morgan
in Buenos Aires

Courts in Argentina have started clearing judicial obstacles likely to prevent the return next weekend of former President "Isabel" Peron for crisis talks with the Government.

Judge Juan Fegoli, who has take over the trials of the military Junta which overthrew the elected Government in 1976, withdrew a summons demanding that she testify in that case as soon as she enters the country.

The Government announced that it had accepted the resignation of Judge Norberto Giletta, who issued the summons amid hints that Mrs Peron might eventually find herself on trial for not resisting the coup eight years ago.

Spokesman for Mrs Peron, the nominal if not particularly powerful leader of the Opposition Peronist mass movement, confirmed that she would arrive at the weekend but added she would not be staying for long.

An Appeals Court yesterday was considering a multiple appeal against Judge Giletta's ruling against President

Alfonsin's decree halting legal action against Mrs Peron for alleged fraud while she was in office.

Mrs Peron's defence lawyer, Mr Manuel Arauz Castex, who reportedly telephoned her at her home in Madrid to say he had "fixed all her court problems," joined forces with the government's Treasury prosecutor to make the appeal.

Judge Giletta ruled that only Congress could put a stop to judicial action, but government and opposition politicians have had difficulty agreeing on a bill freeing the former President from criminal proceedings.

Whether all the concessions by the Government and the attendance of Mrs Peron at next week's talks will achieve much is another matter. President Alfonsin hopes the "dialogue" will produce a broad accord with the Peronists on tackling Argentina's economic crisis.

Earlier reports suggested that Mrs Peron might meet President Alfonsin alone. But it is now said she will take along a small team, perhaps including leaders of the Confederacion na's biggest labour organisation.

Daily Mail
16.5.84

Harrods angels for Falklands

FOUR nurses fly to the Falklands next week to work at Port Stanley's civilian hospital which is being rebuilt after the recent fire.

All four are based at London's Westminster Hospital where they treated victims of

last December's Harrods bombing and the Libyan Embassy shooting.

'Most of our work out there will be nursing geriatrics, children and maternity cases,' said team leader Mrs Joan Plowys, 50, of Westcliff, Essex.

THE FLAW IN DEFENCE

The Daily Telegraph 16/5/84

WHEN MR MICHAEL HESELTINE was appointed Secretary of State for Defence, it was believed that he would bring two talents to the job. In the first place, he was seen as a politician capable of carrying the argument to the then-rampant Campaign for Nuclear Disarmament. In the second place, it was hoped that he would impose his enthusiasm for structures designed to achieve greater managerial efficiencies upon a department reputed to be badly in need of some streamlining. In that light the Statement on Defence Estimates was sensible and worthy of limited praise. The emphasis on improved cost-effectiveness and greater defence value for each of the £17 billion to be stumped up by the taxpayer in the current year is as correct as it is overdue. If Mr HESELTINE can introduce a greater measure of competition between defence contractors, force through a procurement policy which depends less on bargains struck by wheeler-dealing service chiefs and limit the resources soaked up by a bureaucracy which has grown fat on the automatic triplication of functions, he will have achieved more than the general run of defence secretaries.

Unfortunately, despite the brave words about adding firepower to frontline forces, the usual platitudes about our commitment to Nato and the identifiably upbeat Heseltinian tone of the Defence Estimates, the document is ultimately disappointing, even disturbing. The truth, which no amount of managerial reform can disguise, is that after next year defence expenditure may, for the first time in nearly a decade, begin to decline in real terms.

The arithmetic is simple and there for all to see. The commitment to increase spending by 3 per cent. a year in real terms will end in 1985/86. For the year after that, spending has been pencilled in at 3.5 per cent. higher in nominal terms. In other words, if inflation is at 4 per cent. or more, the defence budget will be cut. No allowance is made for the tendency of defence costs to rise faster than inflation because of ever-increasing technological sophistication; the excessive Falklands garrison will continue to pre-empt resources on a grand scale; above all, the acquisition of the unsuitable Trident D-5 submarine-launched ballistic missile system (which will be a good deal more expensive than the latest £8.7 billion estimate suggests) will be biting deeply into the cash available for new equipment programmes. Whatever economies Mr HESELTINE secures, the future appears to hold only the promise of further defence reviews and an erosion of our conventional fighting capability. That is a prospect which the Government has shown no sign of confronting.



Falklands bound: Four senior nurses from Westminster Hospital, London, meeting yesterday before their departure soon for the Falkland Islands, where they are to help to reestablish the civilian hospital in Port Stanley, which was recently destroyed by fire. From left: Staff Nurse Sandra Ward, Theatre Sister Caroline Forster, Night Nurse Joan Plows, and Staff Nurse Marv Liddle.

MILITARY MANAGEMENT

In defence, as in so many other major areas of policy, this Government prefers the managerial to the radical approach. That is the philosophy which lies behind the Prime Minister's refusal to contemplate any further cut in Government spending. It is based on a political fear of the consequences of radicalism. It is assumed (questionably) that radical reform in the structure and burden of British Government will attract too much noise and opposition, and that a properly conducted search for greater managerial efficiency would just as satisfactorily contain the inherently expansionist pressures within every spending department.

Mr Michael Heseltine has worked quite correctly to his brief at the Defence Ministry. The result, in yesterday's White Paper, is predictably managerial and depressingly unimaginative in terms of the opportunity for a decisive stimulus to British grand strategy which this Government has declined. The White Paper contains all the right sentiments, but it reveals that little has changed, in strategic terms, from the era of Sir John Nott, who preceded Mr Heseltine and who, before he was distracted by the Falklands war, was obsessively engaged in a hurried and one-dimensional attempt to cut back on naval spending, which was marginally alleviated by yesterday's decision to keep more frigates in the active fleet.

Considerable parts of yesterday's White Paper are set aside to extol Mr Heseltine's new managerial tools. We hear of cost economies, rationalizations, and devices for greater competition in weapons procurement, all of which Mr Heseltine hopes will produce a bigger bang for a buck

in the defence budget. None of that can be criticized, since it is a necessary administrative element in controlling a department which spends £17 billion per year. What is open to criticism is the absence of any serious attempt to look beyond the managerial minutiae not only at the scale of Britain's strategic priorities, but at the possibilities which exist for reinvigorating the Nato alliance after many years of strategic and tactical atrophy in its thinking.

In fact Mr Heseltine's department has carried out two internal reviews of grand strategy – the first dealing with contingencies outside the Nato area, the second within the alliance – in which Mr Heseltine appears to have shown no great interest beyond allowing some further emphasis to be devoted to Nato's northern flank.

We see that 95 per cent of Britain's defence budget is directly or indirectly devoted to alliance tasks. It seems unlikely that sufficient energy is being applied to see that such an effort could be better employed in a dual capacity. The purpose of that would be to ensure that the ultimate obligation to Nato did not preclude a more flexible approach to the use of British forces outside the Nato area, since it is an undeniable consequence of the successful stabilization of the central front that the Soviet response has been to seek to undermine the western position in the Middle East, Africa and the Caribbean.

The White Paper states that the United Kingdom provides 70 per cent of the forces involved in Nato tasks in the eastern Atlantic. That demonstrates the proportionate importance of the contribution which the Royal Navy makes to burden-sharing

in the Alliance. The same cannot be said for the Army's contribution on the mainland of Europe, which perhaps explains why the White Paper declines to define the proportion of Nato's total force provided by the commitment to maintain Rhine Army at a permanent peace-time strength of 55,000 men. That figure would rise to 150,000 in an emergency; so why does it have to be so inviolate in peacetime? The persistence with maintaining Rhine Army at this figure, with the garrison accompanied by all its dependants and their welfare, contributes an unnecessary burden to the Defence budget, and helps to ossify Nato's tactical thinking for the central front which for some years now has cried out for revision.

The peace-time establishments of the Army and the RAF in Germany have no tactical rationale. The line-up in central Europe makes military nonsense. It is born of old political formulae which have outlived their relevance. As a result of its performance in the Falklands war, this Government enormously enhanced the standing of the Nato Alliance as a whole. With such credentials it had the opportunity to move in on the rigidities of alliance thinking. It could have generated an active debate, both on the nature of a more coordinated contribution for the Allies to meet emergencies outside Europe, and on a proposal for greater military logic in the way members share the costs and burdens of defence. There is little evidence that Mr Heseltine is looking that far; indeed the star attraction of his White Paper, called Minis (Management Information System for Ministers and top management) about sums it all up.

Better value and frontline resources emphasised

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

The Financial Times 15/5/84

BETTER VALUE for money from the £8bn defence equipment bill and a shift in resources from support services to the Armed Forces on the frontline are the twin emphases of the annual Defence White Paper, published yesterday.

Mr. Michael Heseltine, Defence Secretary, backing up his reorganisation of the Defence Ministry, yesterday outlined measures which are already toughening terms for defence contractors.

However, the White Paper also details policies which foreshadow the contracting-out of many of the Armed Forces' support functions. This seems likely substantially to increase defence business opportunities for British companies.

At a Press conference yesterday Mr Heseltine called his reorganisation of the ministry the greatest single overhaul of machinery for developing and co-ordinating defence policy for two decades.

The outline of the reform, first announced in March, is in yesterday's White Paper but precise details will only be published in a separate White Paper in July, with the reforms effective from next January 1.

The reorganisation is likely to result in a radical loss of power for the three Armed Services' chiefs.

Yesterday's White Paper, a wide-ranging review of defence activities, concentrates on two key areas designed to reinforce Mr Heseltine's reforms.

It contains the fullest statement yet of the ministry's drive to increase competition in defence business. It also details government policy designed to shift resources from the defence forces' so-called tail to their teeth, or frontline activities.

The 1984-85 defence budget is £17bn. Of this, nearly £8bn, or 46 per cent, will be spent on weapons, mostly made by British companies. The defence budget has risen by nearly 20 per cent since 1979.

decision, announced last year, to abandon from next year the North Atlantic Treaty Organisation target of a 3 per cent real increase a year in the defence budget.

None the less it does note that "the energies and livelihood of more than 700,000 people in Britain are engaged in the industrial activity associated with the defence effort."

It says the ministry is British industry's single largest customer.

Of contracts worth a total £6.8bn which were placed by the ministry in 1982-83, about 20 per cent by value were awarded on competitive tendering.

Measures to increase this percentage are being introduced progressively.

Analysis of some recent contracts showed savings of more than 30 per cent as a result, the White Paper says.

The major measures are:

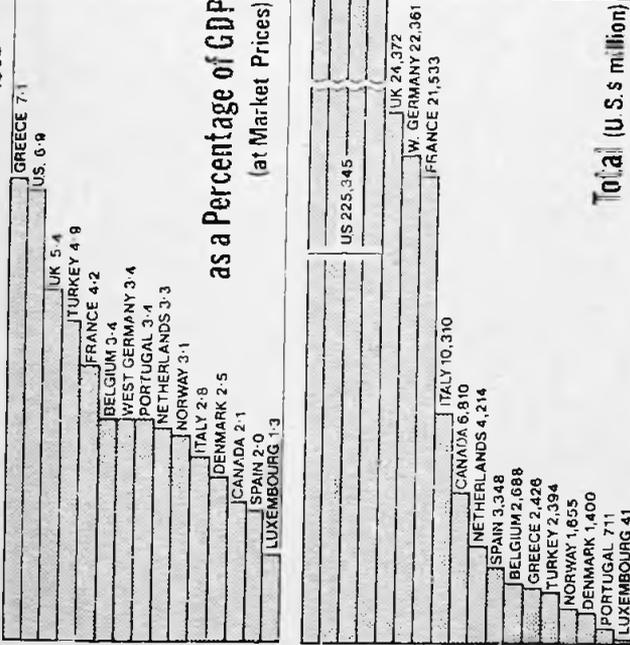
- Prime contractors must introduce competition in their sub-contracts whenever possible.
- Companies will be invited to compete early in a weapons project "to ensure that we have the best available choice of concepts and to stimulate innovative ideas for meeting our requirements."
- Development contractors will not necessarily be given initial production contracts, which will be open to competition where possible.
- Small companies with qualities of enterprise and willingness to innovate will be brought into the competitive process where ever possible.

"We intend to arrange more open tendering to allow these companies greater access to our procurement procedures."

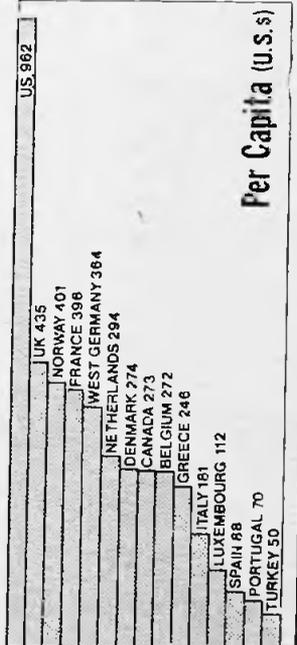
The White Paper says the competition policy will take time to work through and that it is too early to generalise about the results.

It says, however, that the extension of competition should lead to significant cost savings which will ensure a continuing shift in the balance of the defence programme towards

Comparisons of Defence Expenditure: Countries 1983



Total (U.S. \$ million)



additional frontline capability, this by cutting shore-based staff.

Yesterday defence officials were describing such a shift as gradual but the White Paper makes clear that all three Armed Services will have to suffer cuts in support-man-

power and, possibly, in support-services.

● The Royal Navy is to be allowed to keep eight ships, normally in the standby squadron, on active duty but must find the 2,000 crew needed for

wide range of support activities. This suggests that if the projects are successful many support services will be contracted out to private enterprise in the future.

The pilot projects include:

- Warship refitting: a study, the Levene study, is underway which could result in contracting-out refitting work usually done at the Royal Dockyards under Defence Ministry management; meanwhile two ships, probably a frigate and a conventionally-powered submarine, will be offered for competitive tender with work to begin this year.

- Management of non-warlike stores to be contracted-out at two depots—RAF Ouseby, Clee, and Woolwich are to be managed by contractors from the autumn.

- Major servicing of Canberra and Hunter aircraft will be by industry; doon servicing of Nimrods will be opened to competition, as will major servicing of Hawk aircraft.

- More than 30 per cent of army equipment-repair is to be contracted out; much workshop business of the Royal Electrical and Mechanical Engineers, currently worth an annual £76m, will be put out to competitive tender.

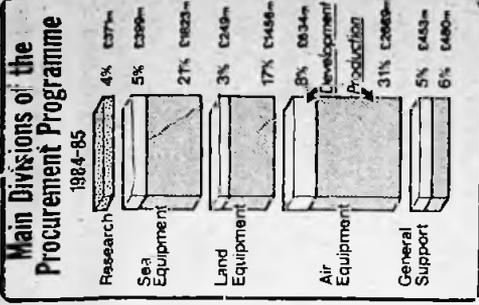
- The Royal Navy is testing the cost-effectiveness of six sample support activities following encouraging results in putting a helicopter-refinishing task out to tender.

- All air-charter contracts which can be are now open to tender while the Army's movement of freight will be so opened next year.

In addition to these measures the ministry is studying how individual services run by the three Armed Forces could be merged or otherwise rationalised.

These include medical, catering, musical and educational services, as well as management of stores and spares.

The White Paper notes that the ministry will generally



seek to apply the principle that the only work carried out in its own defence support organisation should be that which was essential for clearly-proven operational reasons or where there was financial advantage for the taxpayer.

Two of the two-volume White Paper's five chapters cover Mr Heseltine's attempt to secure better value for money and to increase efficiency in the ministry.

The other three contain a wide-ranging review of Britain's defence policy, detail the way the forces' equipment is being updated and relate the role of the defence forces to the national community.

On Trident, the largest single defence project for the future, the White Paper is uninformative. It confirms that Trident will cost £8.7bn over 15 to 18 years, given an exchange rate of \$1.53 to the pound.

It notes that the design of the submarine—but not the number of missiles which will be bought from the U.S.—has been decided. An order should be placed for the first of the four boats by the end of next year.

Statements on the Defence Estimates, Cmd 9227, 1 and 1150; £9.50 for two volumes.

The artistic awakening of Argentina

Slowly but surely Buenos Aires is recovering its status as the undisputed cultural capital of South America. The lifting of censorship; funds made available by the Culture Ministry; and the demise of the death squad as the minion of public morality have followed the return of civilian government under Sr Raul Alfonsín. As a result the local arts scene is now a busy hive of talent, imagination, and experiment.

The city is still lacking good art galleries, the National Ballet Company "fringe" still amateur, and publicity in gets inadequate. Nevertheless the local press. Nevertheless local theatre, in volume and quality, compares favourably with that of almost any large European or American city with the exception of New York and London. "Porteno" culture moreover seems to me to have that extra spark which accompanies profound political change. Actors and actresses, who until a few months ago were on the military's banned "black list," have emerged in the spirit of those who contemplate the morning sun after a night filled with nightmares. There is a special energy about them.

The emerging Mecca of the "new culture" is the Centro y Teatro General San Martín. This

huge and modern building just off the Calle Corrientes, the city's Broadway, is a Kennedy Centre and South Bank rolled into one. A generous outpouring of new shows are being played out in 11 auditoria competing for the attention of practically every taste and generation. On a good day the San Martín presents the visitor with a magical mystery tour from a live debate on Buddhism and Zen to a popular adult circus. In between there is a wealth of experimental theatre including a hard-hitting political play called *Knepp*.

The plot twists and turns in on itself like a Borges's short story. Only at the end does it resolve itself in tragedy when *Knepp* reveals himself as a Government agent bent on forcing his latest victims to accept the "disappearance" of her husband as irrevocable and justified. That one is never quite sure where symbols end and real people begin makes *Knepp* all the more disconcert-

I Am) stands in a league on its own. "I've lived better times, bad times... watched winners pass, seen dictators die... only God knows what I've been through... and yet here I am," sings Guevara, interrupting a running monologue on her real and imagined history—"You don't know how much trouble I've had convincing people I'm no relation to Che," she jokes in one of countless asides.

The autobiography is no exaggeration. In 1975 Guevara took a premature final curtain when a bomb exploded in the hall of the theatre, killing two people and injuring several

rock and tango in a flight of contemporary musical diversity worthy of the best of Lloyd Webber.

There are moments when Guevara moves like Minelli, sounds like Piaf, but she never quite gives the impression of being a simple hybrid. Her originality is to be found in her physique and repertoire, both of which challenge the sensitivity of a local audience moulded for too many years on orthodox and stereotype.

From the moment that the theatre is plunged into darkness and a solitary icy spotlight follows Guevara's strutting long legs on to the stage, to the final encore when a pain-fully ironic "Don't Cry For Me Argentina" is delivered in Evita's own language, the show carries itself off with the self-assurance of a confirmed Broadway hit.

Two moments deserve special mention in that between them they demonstrate Guevara's versatility as actress and singer. The first is when she walks across the stage in total silence, turns on an old twenties gramophone and sings in perfect harmony to a recording of Argentina's most famous pre-war tango, Carlos Gardel. The second is when she moves front stage and like a statue delivers the Hymn to Freedom written by Gianfranco Pagliaro. Guevara distinguishes herself in summarising the broken dreams and suffering which has made Argentina what it is.

Jimmy Burns, in Buenos Aires, reports on a flowering of the arts in a more liberal climate

talented Jorge Goldenburg, is an acute synthesis of the trauma of political repression. Lusciana Brando gives a moving performance as the young wife whose only form of communication with her husband—one of the estimated 10,000-30,000 "disappeared"—is through a per-odical phone call arranged by anonymous torturers. A glimmer of hope that the couple may one day be physically reunited is presented by Dr Knepp (a convincing performance by

ing. Elsewhere in the city current new shows include a musical based on the life of Georges Sand, one man plays on the works of the Spanish poets Lorca and Machado; a sophisticated if rather camp mime entitled *Accidental Death of an Anarchist* and Pam Gen's "Piaf". But as a mixture of sheer entertainment and measured political statement, Nacha Guevara's one-woman show *Agui Estoy* (Here

others. Nacha fled the country and for nine years of exile roamed the world. She has managed to build up a reputation from Madrid to New York (where she was commended with an Entertainment of the Year Award for a performance at the Kennedy Centre), absorbing musical influences and tempering the bitterness she felt towards her own country.

Guevara has made a deft and triumphant comeback with a breathtaking show which combines cabaret, music hall, jazz,

deserve special mention in that between them they demonstrate Guevara's versatility as actress and singer. The first is when she walks across the stage in total silence, turns on an old twenties gramophone and sings in perfect harmony to a recording of Argentina's most famous pre-war tango, Carlos Gardel. The second is when she moves front stage and like a statue delivers the Hymn to Freedom written by Gianfranco Pagliaro. Guevara distinguishes herself in summarising the broken dreams and suffering which has made Argentina what it is.

Defence bill soars to £17 bn

By David Fairhall,
Defence Correspondent

A defence budget of more than £17 billion was announced yesterday by the Secretary of State, Mr Michael Heseltine. It is a fifth higher than when Mrs Thatcher's administration took over in 1979, even after allowing for inflation.

Against such a background the minister's main preoccupation is evidently to get value for money in terms of frontline

Full report, page 3; Leader comment, page 12.

defence. His statement on the 1984/85 estimates points out that even a government so sympathetic to the needs of the military cannot commit limitless resources. The interests of the taxpayer must be safeguarded by "the most rigorous scrutiny to secure maximum cost-effectiveness."

Mr Heseltine's white paper outlines a range of measures to achieve this, from contracting out ship and aircraft maintenance to private firms to the centralisation of the defence staffs. Wherever possible, men and

resources will be shifted from the administrative "tail" into the fighting "teeth" units.

The Royal Navy is to keep at sea eight warships which were previously consigned to the standby squadron, by shifting 2,000 sailors from shore jobs. The army will move 4,000 men into the front line to form a twelfth armoured regiment and operate Rhine Army's new armoured cars and artillery rockets.

The RAF is expected to hold manpower numbers steady in spite of a 15 per cent increase in aircraft numbers on new types like the Tornado multi-role combat aircraft and the Nimrod airborne radar station come into service.

Mr Heseltine argues that with an expanding budget of this size the £8.7 billion Trident nuclear deterrent programme will not be the financial burden his critics claim, even in the peak spending years of the late 1980s. Over the period of its procurement, the white paper calculates, it will absorb no more than 6 per cent of the annual equipment budget, and more than half the money will be spent in Britain.

The white paper is conspicuous for not rehearsing the controversial strategic justification for a new force of ballistic missile submarines. There is no updated comparison with an alternative force of submarine-launched cruise missiles. Trident is treated as just another programme "of the minimum size necessary to provide a credible and effective deterrent," to be managed as efficiently as possible.

Labour's defence spokesman Mr Denzil Davies warned yesterday that when expenditure on Trident, unofficially forecast at £11.5 billion, begins to bite it will precipitate a crisis in the defence budget. He said that the white paper "avoids the real and deepening problem of Britain's over-extended defence commitments, and displays no fresh thinking on strategy."

Mr Heseltine, he charged, was "more concerned with selling off parts of our armed forces to private interest and shuffling the top brass around than applying his mind to the real problems of Britain's defence and security."

£17 bn defence budget highest in Nato

David Fairhall on the ever-rising costs of keeping Britain's armed forces up to scratch

THIS year's defence budget will be £17,033 million—more than any other European member of Nato, in absolute terms and per head of population.

The budget has been rising steadily since Mrs Thatcher's government came to power, so that we now spend a fifth more on our armed forces, even after allowing for inflation, than we did in 1979. In the circumstances it is perhaps appropriate that the emphasis of the White Paper published yesterday by the Defence Secretary, Mr Michael Heseltine, should rest heavily on the problem of getting military value for this vast sum of taxpayers' money.

The issues of nuclear strategy are dismissed, relatively speaking, with references to earlier white papers which dealt more fully, for example, with the Trident deterrent programme. The meat of this year's analysis is the effort to reduce bureaucratic waste, introduce competition, and switch resources from the administrative "tail" to the fighting "teeth" units.

Heseltine the manager is already claiming positive results for his ministerial information system, transplanted from the Department of the Environment. The lessons it has shown up embrace the organisation of the central military staffs—which he wants to strengthen at the expense of the individual services—as much as the need to make civilian management more direct and more accountable.

As his proposals begin to take effect later this year, therefore, the question is going to be whether making the Defence Ministry a more efficient business organisation in peacetime also makes

If a better fighting machine if there is another war.

The main military changes he had in mind are:

- The creation of a combined Defence Staff responsible to the Chief of the Defence Staff and the Permanent Under Secretary, supported by a fully integrated military-civilian defence policy and operational staff.

- Relocation of the individual navy, army and RAF staffs to running their own services, with maximum responsibility transferred to the operational commands;

- The creation of an Office of Management and Budget to achieve greater control over corporate planning and the allocation of resources between the various military requirements.

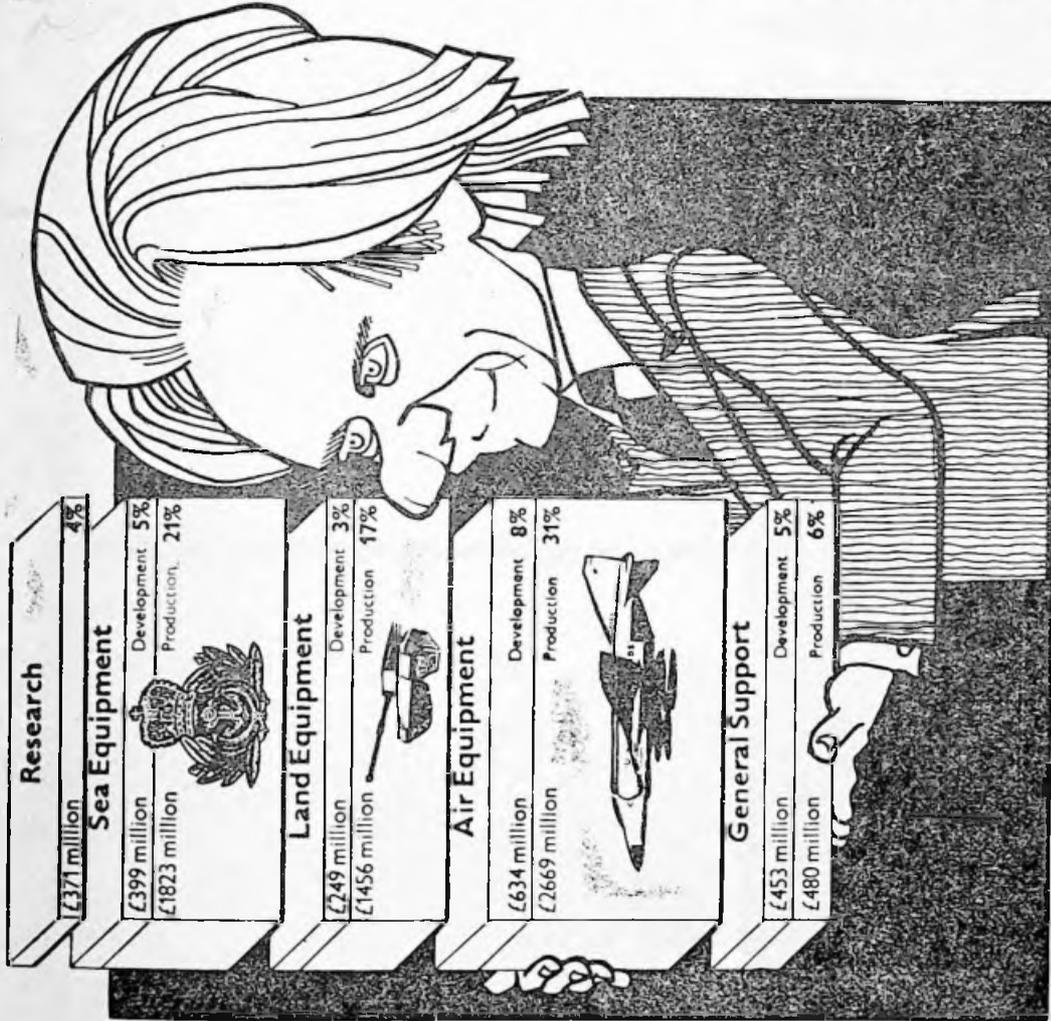
In parallel with this central reorganisation, the services themselves are being asked to take another look at

Leader comment, page 12

their own chains of command with the idea of saving manpower or transferring it nearer the front line. In terms of civilian manpower, the department is committed to a reduction of 9,000 over the next three years in addition to the 48,000 British posts (nearly 20 per cent) which have been eliminated since 1979. In the armed forces themselves manpower targets will not necessarily change, but there will be substantial redeployment.

The drive to reduce the Royal Navy's shore support should reduce the number of men employed ashore by a quarter between 1981 and 1988. Over 10 years total naval manpower will fall by 11,000. But within this trend 2,000 men will be found to go to sea in eight ships which were previously expected to lie idle in a dockyard as part of the standby squadron.

Mr Heseltine's view is that if the ships are kept they



Graphic: by Peter Clarke

multiple rocket launcher under development in collaboration with the Americans, French, Germans, and Italians.

RAF manpower will be held steady, in spite of the fact that the number of frontline aircraft will increase by 15 per cent as new types like the Tornado multi-role combat aircraft come into service.

In all three services there are plans, vigorously promoted by the Minister for Defence Procurement, Mr Geoffrey Pattie, as well as

by his Secretary of State, to save money and manpower by contracting out supporting work like vehicle maintenance to commercial firms. At the same time, as much competition as possible will be introduced into the big spending programmes.

As a first step on the naval side the rest of two ships, probably a frigate and a diesel-powered submarine, will shortly be put out to competitive tender with commercial shipyards. The results will be compared with

the work of the Royal Navy's own dockyards. The servicing of the RAF's Nimrod and Hawk aircraft will also go out to commercial tender, as will the movement of the army's freight handled at present by British Rail and the National Freight Corporation.

In contrast with all this managerial activity, the white paper has little fresh to say on the budget's strategic priorities. It emphasises Britain's wholehearted commitment to Nato and offers support for the American efforts at arms control when confronted by the "fundamentally inflexible" Soviet position. Improvements in our forces' ability to conduct operations outside the Nato area — putting up what amounts to a divisional-sized force, according to the white paper — will not detract from the basic European commitment.

The white paper does not find it necessary to rehearse the case for the new Trident ballistic missile submarines which will take over from the Polaris force in the 1990s. Detailed plans for the supporting bases on the Clyde will be announced in Dumbarton tomorrow.

Less land will be needed because of the decision to have the missiles serviced in the US Navy's facility in Georgia. Work has already begun on modernising the construction facilities in the Vickers yard at Barrow-in-Furness, and the first of the four submarines will probably be ordered from there before the end of next year. The last of the four boats should become operational in 1988.

Total cost of the programme — in spite of savings produced by the missile servicing decision — is now officially estimated at £8.7 billion, although unofficial estimates from the Aberdeen Centre for Defence Studies put it at more like £11.5 billion.

Statements on the Defence Estimates, Command 9227-1 Stationery Office, £4.

Nato narrows the gap in conventional forces

Times
15/5/84

By Rodney Cowton
Defence Correspondent

In the past year Nato has narrowed the gap between the strength of its armed forces and those of the Warsaw Pact in tanks, submarines and other important categories of non-nuclear weapons.

This is disclosed in the 1984 Statement on the Defence Estimates which was published yesterday. It goes into considerable detail about the efforts which Mr Michael Heseltine, Secretary of State for Defence, is making to improve the value for money which the armed forces get from the £17,000m defence budget.

An annex to the White Paper gives the balance of conventional forces between Nato and the Warsaw Pact in 10 categories of conventional weapons on the Central front in Germany and at sea in the Eastern Atlantic.

In only one category - that of surface ships - does the balance favour Nato, but a comparison with last year's White Paper shows that in five categories, main battle tanks, artillery, anti-tank guided weapons, submarines and maritime aircraft, the gap has been reduced. In the other categories of non-nuclear weapons the balance remains unchanged.

This may be a product of the decline in the rate of growth of defence spending by the Soviet Union which the White Paper reports. This is estimated to have been about 4 per cent a year up to the mid-1970s, but to have declined by more than half in subsequent years.

The white paper says: "It is clear that, as in the West, the defence sector cannot be considered in isolation from the rest of the economy." But it adds that it is not clear whether this slackening of the Soviet rate of growth is a long-term trend.

Despite the economic recession within which the present Conservative Government has had to operate since it came to power in 1979, the White Paper shows that British defence spending by 1985/86 will have risen by more than 20 per cent in real terms since then.

In terms of total defence expenditure, Britain last year remained second only to the United States in terms of total defence spending and spending per head, among all Nato member countries, and moved up from fourth place to third in defence spending as a percentage of gross domestic product.

Command No. 9227, volumes 1 and 2. HMSO, £4 and £4.50 respectively.

| EAST-WEST FORCES: THE CHANGING BALANCE | | | | | |
|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--|
| 1983 | | CENTRAL FRONT FORCES | 1984 | | |
|  |  | |  |  | |
| NATO | WARSAW PACT |  | NATO | WARSAW PACT | |
| 790,000 | 980,000 | Total soldiers | 800,000 | 980,000 | |
| Ratio 1-1.2 | | | Ratio 1-1.2 | | |
| 600,000 | 740,000 | Fighting soldiers | 590,000 | 740,000 | |
| 7,200 | 17,800 |  | 7,800 | 18,000 | |
| Ratio 1-2.6 | | Main battle tanks | Ratio 1-2.3 | | |
| 2,700 | 8,000 |  | 3,000 | 8,200 | |
| Ratio 1-3 | | Artillery | Ratio 1-2.7 | | |
| 7,400 | 10,200 |  | 7,900 | 10,300 | |
| Ratio 1-1.4 | | Anti-tank guided weapons | Ratio 1-1.3 | | |
| 1,300 | 2,700 |  | 1,300 | 2,700 | |
| Ratio 1-2.1 | | Fixed-wing tactical aircraft | Ratio 1-2.1 | | |
| MARITIME FORCES EASTERN ATLANTIC | | | | | |
| 80 | 54 |  | 80 | 57 | |
| Ratio 1-1.5 | | Surface ships | Ratio 1-1.4 | | |
| 32 | 81 |  | 36 | 83 | |
| Ratio 1-2.6 | | Submarines | Ratio 1-2.3 | | |
| 291 | 444 |  | 300 | 460 | |
| Ratio 1-1.5 | | Maritime aircraft | Ratio 1-1.5 | | |
| 850 | 26,000 |  | 850 | 26,000 | |
| Ratio 1-31 | | Mines (offensive) | Ratio 1-31 | | |

Greater efficiency by cutting costs

The Statement on the Defence Estimates says that the Government is determined that the capability and efficiency of the armed forces shall continue to be enhanced and improved, but the resources which can be devoted to defence are not limitless.

"The interests of the taxpayer must be safeguarded by the most rigorous scrutiny of the defence budget to secure maximum cost-effectiveness."

It says that the Ministry of Defence is far from inefficient, as the mounting and support of the Falklands operation showed, but the organization must be changed to cut overheads, improve accountability and encourage delegation and the more efficient use of resources.

Within the individual services the shift from support areas to the front line is gathering pace. Between 1981 and 1988 the Royal Navy will reduce the number of men

employed ashore by 25 per cent. Three shore establishments will have closed by the end of 1985 and others will close later.

In the five years after 1988 a further fall of 15 per cent in shore-based numbers are planned to be about 11,000 lower than in 1981.

The Royal Air Force will aim within the next decade to hold manpower steady while the number of front-line aircraft increases by 15 per cent, and the Army will redeploy three per cent, about 4,000 men, of its strength from support areas to the front line.

By thus strengthening the front line and through the introduction of new equipment including a new mechanized combat vehicle, the multiple-launch rocket system, a new air defence missile system and the Saxon armoured personnel carrier, the fighting capability of the Army will be strengthened "to an extent not seen in the past three decades".

50-ship fighting fleet welcomed

The Telegraph 15/5/84

By **DESMOND WETTERN** *Naval Correspondent*

THE GOVERNMENT'S decision to keep 50 rather than 42 destroyers and frigates in the operational fleet throughout the rest of the decade, announced by Mr Heseltine, the Defence Secretary, yesterday, has been widely welcomed by the Navy.

His White Paper on the 1984-85 Defence Estimates also contains what amounts to a retraction of his recent criticism of Adml Sir William Staveley, the C-in-C Fleet and Nato C-in-C Channel and Eastern Atlantic.

Earlier this year Mr Heseltine publicly took Adml Staveley to task, and has privately censured him, for his failure to include any American contribution to his command when making a gloomy appraisal of the inadequacies of the forces that would be allocated to him in war.

But the White Paper, after showing that Nato in the Eastern Atlantic would have 116 surface warships and submarines to the Warsaw Pact's 140, adds that though the Allied figures include French forces they "exclude United States Navy ships from the (Nato) Strike Fleet Atlantic because their availability in the Eastern Atlantic cannot be assumed at outbreak of hostilities."

In keeping 50 destroyers and frigates in the operational fleet, rather than putting eight in the Standby Squadron from 1986, as Sir John Nott, Mr Heseltine's predecessor, had planned, the Navy will have to find 2,000 more men to man them.

It is hoped to achieve this by cutting the number of sailors under training ashore—three major shore establishments are to close—and putting a higher percentage of partly trained men in ships' crews, although the Navy's overall manpower is to be cut from 66,000 in 1981 to 59,000 by the early 1990s.

Mr Heseltine claimed that the decision to keep 50 operational destroyers and frigates did not represent a change of policy

But while the decision will add 20 per cent. to the Navy's major surface units after 1986, the total of 50 still represents a reduction of five with 55 operational destroyers and frigates in the fleet this year.

Type 23 disquiet

Another disquieting feature of the White Paper is that there is still no indication when the first of the new Type 23 frigates will be ordered or even when orders will be placed for two more of the earlier Type 22 frigates, one of which is a replacement for one of the ships lost in the Falklands.

Even if the first Type 23 were ordered now it would be doubtful if she could be ready to join the fleet before 1990.

The White Paper also remains silent on the provision of enhanced air defences particularly for sister ships of the destroyers Sheffield and Coventry lost in the Falklands, although it does state that their long-range air search radar is to be improved.

Daily Mail 15.5.84

Small firms get chance to help cut defence bills

Heseltine starts a £7,000m arms scramble

By HARVEY ELLIOTT, Defence Correspondent

HUNDREDS of small firms, many working on the frontiers of high technology, are to benefit from a major scheme to open up defence contracting to more competition.

Until now more than 70 per cent. of Britain's £7,000 million-a-year defence contracts have been awarded on a negotiated price without competitive tender.

But the 1984 Defence White Paper, published yesterday, says: 'Competition is vital for the achievement of the best value for money, the most efficient use of industrial resources and the stimulation of innovation and new ideas.'

Defence Secretary Michael Heseltine is convinced that competition could save up to 30 per cent.

Even where only one company is able to build a particular item, he wants them to ensure that the component parts involved are ordered from sub-contractors after an open competition.

'We are keen in particular to involve small firms, with their qualities of enterprise and willingness to innovate,' says the White Paper.

Mr Heseltine's drive to get value for money will also operate in the three Services. They will get more 'teeth' but will have to cut their administrative tails to pay for them.

The Army will be strengthened by 4,000 additional men in the front line by cutting back on training, reducing staff in headquarter units and contracting-out maintenance.

There are plans to form an extra armoured regiment and another air defence regiment with a new missile system.

The Navy will keep eight warships, which were to have been transferred to a standby 'mothball' squadron in 1986.

But Navy manpower will continue to be run down. By 1988 there will be 25 per cent. fewer working ashore than in 1981.



Heseltine: Cost-cutting

Budget

The RAF is increasing the number of aircraft by 15 per cent. with new Tornado squadrons. But there will be no manning cut-backs.

Civilian defence employees will be cut from the present 200,000 to 170,000 by 1988.

Plans are also going ahead for a new overall high command structure at the Ministry of Defence in Whitehall. Under it, the three individual service chiefs will have less say in overall policy making.

Mr Heseltine remains convinced of the dangers of the Soviet threat to Britain, including the possibility of specially trained sabotage teams.

He therefore plans to increase to 5,000 the number of Home Service Force volunteers who will guard key points.

He also remains firmly committed to the £8,700 million Trident missile project which, he says, will absorb only three per cent. of the total defence budget during the next 15 years. The first submarine will be ordered by the end of 1985.

At the same time Britain is to equip its Tornado strike aircraft with British-built nuclear bombs and maintain Buccaneer jets in their nuclear role.

Alfonsin heads for a harsh political winter

From Jeremy Morgan in Buenos Aires

The euphoria that greeted President Alfonsin in December has already been swept aside by the first bitter winds of what threatens to be a harsh political winter.

The Government's capacity for making mistakes and its inability to cope with an unprecedented economic crisis have become all too clear for an impatient people who do not like losers. Old habits are quickly reasserting their grip on political attitudes.

The middle class, which broadly supported President Alfonsin in last October's elections but which in the past has accepted military coups, has resumed its old morbid fascination with the possible end of yet another problem-plagued elected government.

Observers detect few signs of real unrest at the barracks, arguing that the armed forces are too preoccupied by low morale and "too recently

aware" of the enormity of the difficulties facing the Government to want to take these upon themselves.

Not for the first time, Argentina's immediate future depends less on the Government than the imminent return of the leader of the Peronist mass movement, still the country's biggest political force despite October's electoral defeat.

The country is waiting for "Isabel," Mrs Maria Estela Martinez de Peron, the former president deposed in 1976, to lead the Peronists in talks with the Government over tackling today's crisis.

The Government originally hoped that she would return from self-imposed exile in Madrid last month to assert her authority over a badly divided Peronist movement that still manages to inflict damaging defeats and delays on the Government.

There is still no certainty

that Mrs Peron will arrive as planned next weekend.

Judge Norberto Giletta's ruling against President Alfonsin's decree halting legal action against Mrs Peron in a fraud case added to doubts about not only her return but also the Government's grip on events in a country where that sort of decision is widely presumed to be made beforehand at the highest levels.

The radical Government, accused by its own supporters of giving too much away, is expected soon to announce concessions on union elections and reforms to the Confederacion General del Trabajo, the country's biggest labour organisation.

President Alfonsin's attempt to accommodate the Peronists too soon after the return to democracy, prompts complaints that his Government is ruling not for the 52 per cent that backed him last October but the 40 per cent that did not.

The Telegraph 14/5/84

Dalyell challenge on Thatcher 'lie'

MR TAM DALYELL, Labour MP for Linlithgow, yesterday challenged Mrs Thatcher to sue over a book which states that she lied over the Belgrano.

Mr Bruce Arnold, author of Margaret Thatcher, A Study in Power, refers to a BBC programme in which the Prime Minister denied that the cruiser was sailing away from the Falklands when attacked.

Hunt's belated harbour visit

By Our Diplomatic Correspondent

SIR REX HUNT, Civil Commissioner for the Falklands, who spoke of his disappointment, because he was not invited to the opening of a £23 million floating harbour at Port Stanley last month, is to pay a belated visit to the installation this week.

His absence from the official opening when a VIP party was flown out from London fuelled reports in Port Stanley of personal differences between Sir Rex and Major-General Keith Spacie the Military Commissioner.

Sir Rex said afterwards that as the Queen's representative that either he or a member of the civilian administration should have been present particularly in view of the fact that £23 million had been spent.

Colonel Philip Howes, a planning and operations officer from the Ministry of Defence, flew to Port Stanley for the opening

of the harbour by General Spacie.

Two executives from the engineering construction company responsible, ITM Offshore, also travelled to the Falklands on one of the Hercules transports which have to be refuelled in mid-air on their journeys from Ascension Island.

A Press party and military officers were also present at the opening ceremony on April 26 and a buffet lunch was held on one of the floating accommodation blocks.

Sir Rex said to me: "People are making too much out of the fact that I was not there and stories of any differences between myself and General Spacie are being overplayed. We get on perfectly well together."

"I think that the military wanted to make sure the harbour was working all right before we civilians went. I and six members of the Legislative Council are certainly accepting our invitation now."

Government officials in Port Stanley and leading members of the 1,800-strong Falklands population are convinced, however, that Sir Rex and General Spacie have their differences.

One prominent Falklander said to me: "It was quite a scandal that Sir Rex was not at the opening. There have been reports that he and the General are at daggers drawn. Their wives do not get on either."

PORT COMPLEX

The revolutionary floating port complex, or Flexiport, had been in operation for some weeks before last month's opening. The invitation to Sir Rex and members of his Legislative Council was offered only a few days ago after the Civil Commissioner's expression of disappointment.

Sir Rex, who was Governor of the Falklands, and General Spacie meet once a month at sessions of a 12 man joint liaison committee. General Spacie is due to complete his tour of duty in June, but Sir Rex has been asked to extend his own service on the islands for another year.

Greg Smith



This riot in Chile was directed at the Pinochet dictatorship and its austere economic policy. But Argentina's President Alfonsín (below) could soon face similar trouble. Like countries across Latin America (see map), Argentina is having to adopt nasty economic medicine to satisfy the IMF

cont../



Argentina: why the IMF may make or break a democracy

by Isabel Hilton
and David Lipsey

THERE was a new scare in Argentina last week as a small, discreet mission landed in Buenos Aires and quietly set about its business. The men from the International Monetary Fund had arrived.

President Raul Alfonsín's democratic regime is now nervous that the IMF will insist on savage deflation in return for lending the country more money. This, the government fears, could lead to the kind of riots that have flared up in the Dominican Republic, Brazil and Chile - and threaten the survival of democracy in Argentina.

For days past, Argentinian politicians, bankers and trade union leaders have talked obsessively of the likely terms of the IMF package which Argentina must agree within the next few weeks. The mission is preparing the ground for full negotiating teams scheduled to arrive later this month. Unless agreement is in place by the end of the month, Argentina may miss the June 30 deadline when it must meet interest payments due to US banks.

Agreement with the IMF would also open the way to an American loan of \$300m (about £220m) to enable Argentina to

start impounding our ships and aircraft, because we will not look for economic solutions founded on the hunger of the people."

Despite these fine words, however, the government has begun negotiations with the opposition parties, to try to buy a political truce solid enough to permit a deal to be settled with the IMF.

As a measure of the importance Alfonsín attaches to reaching agreement with the Peronists in the talks that are due to start on May 21 he telephoned Isabel Peron, the symbolic leader of the fragmented movement, to invite her to return to Argentina to lead the talks. She agreed to do so.

Already, in a conciliatory gesture to the Peronist unions, Alfonsín has sacrificed his minister of labour, Antonio Mucci, who had ruffled trade union feathers in an attempt to enforce union reform earlier this year. In return for an understanding that there will be no legislation to reform them, the unions will be expected to accept the anticipated deflationary package without fomenting trouble.

All the main political parties agree, in principle, to the renegotiation of Argentina's debt. But no opposition party will volunteer to mitigate the political unpopularity the measures will generate. "Alfonsín does not want to share power," remarked one opposition depu-

ty of high levels of employment. He is committed, in particular, to maintaining the standards of Argentina's 2m public service employees and 3m public service pensioners.

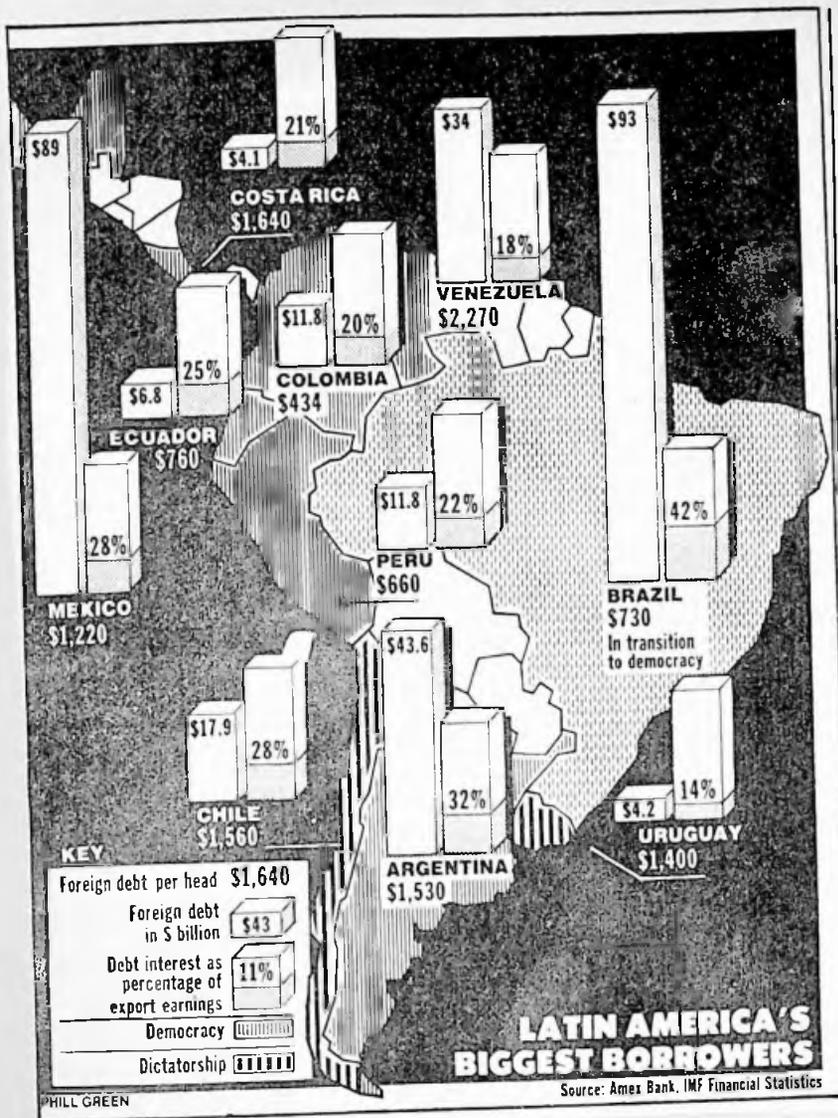
If he sticks to his promises, he will have nothing to offer the IMF. If he reneges, he will be sitting on a political time-bomb.

Throughout the week, Alfonsín's Radical party disguised its apprehension with brave rhetoric. "President Alfonsín has told the IMF that he will not accept a salary freeze," insisted a Radical senator, Adolfo Gass. "And if that is what renegotiation means, they may as well

repay the emergency package of aid put together in March by Colombia, Mexico, Venezuela and Brazil - a deal which saved Argentina, at the last possible moment, from default.

With the country burdened by a government deficit of 16% of national output, strikes have already given warning of the trouble a severe cut in living standards could bring. Last month, the annual inflation rate hit 522.4%, and the government abandoned its system of indexing pay rises to the monthly inflation increase.

The IMF is likely to demand sharp deflationary measures and a reduction in the budget deficit. Alfonsín, on the other hand, has promised a rise in real wages and the maintenance



short-term loan to be assembled - and he made it, observers maintain, out of concern for Argentina's democracy.

The fund's defenders point out that the man in charge of the Argentine negotiations is himself a Latin American. Eduardo Wiesner, the fund's director for the western hemisphere, is a calm, US-educated economist who joined the IMF in 1982 - having previously served as Colombia's minister of finance, grappling with the debt crisis from the other side of the negotiating table.

IMF officials argue that finding a solution to Argentina's difficulties is bound to involve tough choices. "It's no use producing a programme which is going to fail. The fund would love to be more biased towards growth, but you've got to get the balance of payments right", one senior IMF source said last week.

At the same time, the IMF has to keep an eye on its constituency in the countries that put up its own funds. One-fifth of its money comes from the United States, which also has a fifth of the votes on its executive board - and, in an election year, the Reagan administration is particularly sensitive to allegations that it is using tax dollars to bail out foreigners.

Even so, there are growing signs that the fund is prepared to give such debtors as Argentina more time to set their economies to rights. And fund officials agree that something is wrong when the present rise in US interest rates suddenly lands Argentina with a bill of \$250-300m a year for every 1% by which those rates increase.

In the rarefied air of the fund's bureaucracy, sweet reason commends the programmes it seeks to agree. But on the streets of Buenos Aires, one man's sweet reason is another man's pay cut - and keeping the dampers on that explosive mixture will test the fledgling Alfonsin regime to the full.

● Additional reporting by Maria Laura Avignolo.

Cont../
Sunday Times
13.5.84

ty, "so he cannot expect us to share responsibility. He will come out of the IMF talks looking like a traitor."

It is an unhappy prospect for a precarious democracy. Last week, Alfonsin's advisers analysed the Dominican Republic riots and drew up contingency plans for any similar problems.

Equally worrying for the Radicals is the long list of other Latin American countries which have, in the last 12 months, suffered social disorders or political crises as a result of IMF deals, concluded or potential. The list includes democracies like Peru and Bolivia, dictatorships like Chile and Uruguay, and intermediate states like Brazil.

Notwithstanding the talk of the threat to democracy that too harsh an agreement might present, one Peronist senator put another slant on it: "We will not have disturbances like the Dominican Republic because we will not accept that sort of deal. Those riots have shown that the IMF's formulae do not take into account the social needs of the debtor nations."

At the IMF's Washington headquarters, such rhetoric is greeted as routine. However stinging the attacks of debtor nations on the fund's demands, the IMF maintains a blanket of secrecy and imperturbability over its negotiations.

Moreover, a recent study indicated that, behind this obsessive secrecy, the IMF may be both more flexible and more careful of shaky democracies than its detractors admit. The study, by the London-based Overseas Development Institute, concluded that the fund did not always adopt a dogmatically monetarist stance and frequently showed "considerable flexibility" in its approach.

In March, with Argentina only hours away from default, the fund's managing director, Jacques de Larosiere, took the unusual step of assuring the banks publicly that Argentina had "reaffirmed its intention to work towards an early agreement with the IMF". His statement was instrumental in enabling the Latin American

Gadaffi's arms for Argentina

by Isabel Hilton and Maria
Laura Avignolo

LIBYA'S Colonel Gadaffi secretly shipped arms worth more than £70m, including 120 Soviet-made Sam-7 missiles, to Argentina during the Falklands war. All Libya received in return was one planeload of fruit and two horses. The arms were shipped in six special flights by Boeing 707s of Aerolineas Argentinas.

"Colonel Gadaffi offered unconditional and unlimited support to Argentina," the Libyan ambassador in Buenos Aires, Mohammed Khalifa Rhaïam, told The Sunday Times. "We were prepared to go on supplying arms as long as the conflict lasted."

Besides the Sam-7 missiles, the shipments included 20 Magic-Matra air-to-air missiles for use with Argentina's Mirage jets, AC-2 missiles, mortars, infra-red equipment and a long list of other munitions.

In addition, Libya made strenuous efforts to buy air-to-sea Exocet missiles to supplement Argentina's stock of only five. Libya, according to senior diplomatic sources in Buenos Aires, was offering three times the going rate for Exocets

on the black market, but its efforts were thwarted by French pressure and the efforts of the British secret service.

Mainly in the hope of securing Exocets, President Galtieri turned to Libya for help in the face of opposition from his own armed forces.

On 14 May, 1982, a secret mission led by Admiral Benito Moya and including the present head of the air force, Brigadier Teodoro Waldner, flew to Tripoli, accompanied by Rhaïam.

Galtieri remained suspicious of Gadaffi and continually asked how much the Libyans would eventually demand in return.

After inquiring what fruit was scarce in Libya, Waldner - to show Argentina's appreciation - sent back one of the 707s filled with apples and bananas.

Finally, still uneasy, Galtieri hit on the idea of sending two pure-blooded horses as a personal gift to Gadaffi.

It was not until February 1983, when an Argentinian air force delegation visited Libya to thank Gadaffi for his help, that the bill was finally presented. Would Argentina be disposed, Gadaffi inquired, to build a nuclear reactor in Libya?

Tea and sympathy, page 13

Alfonsin concerned over interest rate rise threat

BY JIMMY BURNS IN BUENOS AIRES

PRESIDENT Raul Alfonsin of Argentina yesterday warned that the latest increase in U.S. interest rates was threatening the country's economic and social stability and its capacity to settle its \$43.6bn (£31bn) debt.

The statement was the firmest public indication to date that the Argentine Government and its creditors could be heading for another period of tense brinkmanship in the next U.S. bank quarterly deadline on June 30.

Uncertainty continues to surround Argentina's relations with the IMF, which has had a mission in Buenos Aires this week. Economy Ministry officials said yesterday that an agreement was being held up because in their view the Fund had not so far shown sufficient flexibility in response to Sr Alfonsin's publicly proclaimed refusal to accept a fierce programme of retrenchment as a precondition for fresh funds.

Although the Argentine Government last week began for the first time to curb wages and subsidies to the state sector, some officials insist that they do not now have sufficient political space or will to apply a fully-fledged programme of austerity.

Negotiations between Sr Alfonsin and the opposition Peronist Party aimed at reaching a national consensus on economic policy have been delayed yet again because of the continuing absence of Sra Isabelita Peron, former President, and titular head of the Peronists, who remains in Madrid.

In a statement read by the presidential spokesman, Sr Alfonsin reiterated that Argentina would meet debt obligations but only "in an ethical and equitable context," which takes into account "our own need for peace, democracy and development."

The Guardian 11/5/84

Tam's return disturbs calm

A STRANGE silence seemed to have descended on the Labour front bench during Treasury Questions yesterday, and shadow Chancellor Roy Hattersley, who is normally on his feet most of the time, rose only once to challenge the Government.

As if to fill the gap Jim Callaghan intervened to tell us how much better things had been in his days as Labour Prime Minister and Chancellor.

Although we did not appreciate it at the time, it seems that this was a golden age with steady growth, high investment, a higher sterling exchange rate and unemployment at record low levels.

Perhaps Jim had been reading the speech made in the Lords by his predecessor at Number 10, Harold Wilson, now Lord Wilson of Rievaulx. He certainly seemed just as anxious to vindicate his years in office.

But, leaving aside these scenes of human vanity, the really significant event came at 2.40 pm when a familiar figure hustled along the Labour back benches to take his seat. Tam Dalyell had returned from five days exile from the Commons imposed on him for suggesting that Mrs Thatcher had lied over the sinking of the Argentine cruiser Belgrano.

Tam has certainly not been wasting time during his sus-



pension. He has been roaming the country addressing meetings about the infamous events surrounding the Belgrano and the Government's handling of the Falklands conflict.

Yesterday, Tam was carrying an ominous package of files and papers, so he had obviously been busy on research back at The Binns, the family seat once occupied by his famous ancestor, Black Tam.

Fixing the Treasury ministers with a steely gaze, Tam awaited his opportunity. A loyal cheer went up from kindred spirits on the Labour benches as he asked Peter Rees, Chief Secretary to the Treasury, what recent payments had been made out of the contingency fund for health services in the Falklands.

"None, Sir," came the disappointing reply.

As usual, however, his question really concealed a different point—the cost of converting the Falklands

Hospital after it was swept by fire. A firm believer in the conspiracy theory of politics, Tam suggested that the figure of £10m for this project was concealed in the brief Mr Rees had in front of him.

But the minister was having none of this. If Tam thought that he could read the ministerial brief from his position on the Labour backbenches, then his eyesight must have improved remarkably since he was suspended.

Tam's question to Mrs Thatcher was not reached, but with customary ingenuity he nipped in during Business Questions to John Biffen, Leader of the House.

He wanted to know whether Mr Biffen intended to make arrangements for the Prime Minister to withdraw her allegation that an MP had given away useful intelligence during the Falklands conflict. If, not, then he suggested Mr Biffen should move a motion to suspend the Prime Minister from the House for five days.

Having satisfied his honour, Tam was off to the Home Counties, where he was addressing a Labour Party meeting about the "scandal" over the failure to repair the electrical circuit in the Falklands Hospital prior to the fire.

John Hunt

FALKLANDS PLAY FOR BBC-TV

By ROBIN STRINGER
TV and Radio Correspondent

A NEW BBC Television play is to examine the course of the Falklands campaign as seen through the eyes of four young Welsh Guardsmen.

The soldiers eventually find themselves engulfed in the tragic bombing of the assault ship Sir Galahad at Bluff Cove in which 50 men died.

Though the characters are fictitious, the 75-minute play, written by Ewart Alexander and called "Bluff Cove," is based on "careful and detailed research" undertaken, according to the BBC, to ensure "an authentic background."

It will include news footage of military action in the Falklands and of other events including the departure of the QE2.

The script outlines the developing crisis in the South Atlantic and shows the quartet plunged into intensive combat training before their departure in the QE2, their journey to the Falklands, and their family and friends drawn together by common fears and hopes.

Produced by Keith Williams in his first job since leaving his post as head of BBC Television drama, the play gives four young Welsh actors their first major television roles. They are Glyn Baker, son of the late Sir Stanley Baker, the film actor; Alun Briney; Dorien Thomas; and Owen Teale.

CALL FOR TALKS ON FALKLANDS

Argentina's foreign minister, Senor Dante Caputo, is urging the British Government to act on a proposal made in February for the Falkland Islands.

"What we need is negotiations, but the basic problem is that Britain refuses to come to the negotiating table if the sovereignty of the disputed territory is to be discussed, and Argentina refuses to negotiate if this issue is excluded. This is a small dilemma of international politics," he said.

Falkland play—P14

The Financial Times 9/5/84

Row over Falklands remarks

THE Prime Minister told the Commons yesterday she had "nothing fresh to say" about her weekend allegation that an unnamed MP had disclosed intelligence information during the Falklands conflict.

Mr Paddy Ashdown (Lib, Yeovil), told Mrs Thatcher during Question Time: "Your comments on the gathering of signals intelligence were not

only deeply damaging in that they drew more attention to the operation of GCHQ, but were also deeply unconvincing as a reason for not having a full inquiry into the Libyan affair."

Mrs Thatcher said of her BBC radio broadcast on Sunday: "The point I was seeking to make was the danger of commenting on specific intelligence."

Sir Galahad raid ^{Standard} relived in TV play _{8/5/84}

Standard Reporter

THE bombing of the British assault ship Sir Galahad at Bluff Cove during the Falklands War is to be recreated in a new BBC drama.

A 75-minute play, which recalls the events leading up to the moment when Argentinian bombers struck at the ship killing 50 Welsh Guardsmen, begins production this month.

It will follow the fortunes of four young Welsh Guards

and their families during the 1982 conflict.

The play, being made by BBC Wales, will star Glyn Baker, son of the late Sir Stanley Baker, in his first major television role.

A BBC spokesman said today: "It is a kind of a Family at War drama which shows the events leading up to the tragedy. It will certainly be moving."

The drama, written by Ewart Alexander, recalls the developing crisis in the South Atlantic, the combat training of the four recruits and their journey to the Falklands on board the liner QE2 before the final bloody climax.

The Standard

8 5 84

Hongkong group lobbying for right to live in UK

By Henry Stanhope, Diplomatic Correspondent

An influential group from Hongkong who arrive in Britain today seem likely to press for all those in the colony who cannot face life under Communist rule after 1997, to be given the right to settle in Britain.

At present only 20,000 people with British passports would have the automatic right to live in this country after China takes control over Hongkong.

But members of the colony's administrative bodies the executive and legislative councils, are questioning whether the same right should not be extended to more than 2,000,000 with only British dependant territory citizenship. It is one of "many anxious

questions" to which no satisfactory answer has yet been given, they say in a document outlining their views, which was published last night (Wednesday).

Nine "unofficial" members of the two councils are coming here to lobby MPs on behalf of those living in the colony, in advance of next week's Commons debate.

● PEKING. The fourteenth round of talks between Britain and China on the future of Hongkong aimed at protecting the territory's "security and prosperity" resumed in Peking yesterday and will continue today.

The Times

10 5 84

Daily Mail
9th May 1984

BBC plans play on Bluff Cove

A PLAY about the fortunes of four British soldiers during the Falklands war is to be shown on television.

BBC Wales starts filming Bluff Cove later this month. It follows the young Welsh Guardsmen from their depot at Pirbright, through the South Atlantic aboard

the QE2 and on to the bloody encounter of the title.

More than 30 Welsh Guardsmen died in the landing ships Sir Galahad and Sir Tristram at Bluff Cove in June 1982.

Among those who will play the young Guardsmen is the late Sir Stanley Bake's son, Glyn

Daily Mail
9th May 1984

Falklands shock for code experts

INTELLIGENCE code breakers faced having to crack a new Argentine cipher system within days of the Falklands invasion, it was confirmed last night.

And Whitehall sources indicated this was why Mrs Thatcher blamed an MP at the weekend for a

'totally and utterly devastating' blow against the British task force.

But Mrs Thatcher has now chosen to cool down the row over remarks made two years ago by former Labour minister Mr Ted Rowlands.

She denied yesterday that she had accused the MP of treason.

News of the World 6.5.84

ARGIES CALL FOR TALKS

ARGENTINE Foreign Minister Dante Caputo last night called for talks with Britain on the future of the Falkland Islands.

He emphasised in Madrid that his offer came from a civilian government, not the military junta that ruled Argentina during the 1982 Falklands war.

nich

Daily Mail 8.5.84

'Name MP in secrets gaffe' Maggie told

MRS THATCHER will be challenged in the Commons today to name the MP she blames for striking a 'totally and utterly devastating' blow for Argentina at the start of the Falklands war.

Controversy grew yesterday over her disclosure on Sunday of the intelligence gaffe by the unnamed MP.

Labour Shadow Foreign Secretary Denis Healey called her comments a 'group libel'. And SDP leader Dr David Owen said: 'Mrs Thatcher must stop being the nation's nanny, hectoring every-

Downing Street refused to elaborate on her comments made during the BBC radio's World This Weekend programme when she was being questioned about intelligence gathering and the Libyan Embassy siege.

But it is presumed she was referring to Labour MP Mr Ted Rowlands, former Foreign Office Minister with responsibility for the Falkland Islands who just after the Argentine invasion said in the Commons: 'As well as trying to read the mind of the enemy we have been reading its telegrams for many years.'

Daily Mail
7.5.84

Maggie tells of war 'leak'

By GORDON GREIG
Political Editor

AN astonishing charge by Mrs Thatcher that an MP dealt a 'totally and utterly devastating' blow to Falklands intelligence operations convulsed Westminster last night.

Mrs Thatcher is certain to be asked to clear the air and name the guilty MP. Senior MPs said that the accusation is so serious that the Commons Committee of Privileges should investigate the claim.

The Prime Minister made the remark during a BBC radio interview when she was asked why she had decided to hold a secret inquiry into the Libyan Embassy siege.

Mrs Thatcher insisted that if everyone had the right to know, there would be no intelligence.

She added: 'Let me say this. There was something said in the Commons at the beginning of the Falklands campaign by someone who knew a bit about intelligence which was totally and utterly devastating in the amount it gave away to those against whom the intelligence was directed. The moment you say too much the sources dry up.'

Certainly Mrs Thatcher was known to be outraged at the time by the Commons revelation on April 3, 1982, of Mr Ted Rowlands, a former Labour junior Foreign Office Minister, that Britain had broken Argentina's intelligence codes and had been reading their messages for years.

Ministers and senior Labour MPs felt very unhappy at the time at this disclosure, which allowed the Argentines to change their codes and so wipe out our intelligence advantage.

Until the Prime Minister names the culprit a lot of distinguished critics of the Falklands affair are likely to feel they have been slurred.

Mrs Thatcher's allegation is so grave she is likely to be questioned when the Commons returns from the May Day break tomorrow.

Mr Rowlands declined to comment last night.

Thatcher rekindles intelligence row

BY OUR POLITICAL EDITOR

THE simmering row over British intelligence provoked by the GCHQ and Libyan embassy affairs has been rekindled by Mrs Thatcher's remarks at the weekend about a "totally and utterly devastating blow" to Falklands intelligence operations.

During an interview on BBC radio's World this Weekend programme, Mrs Thatcher was explaining why she would not hold an independent inquiry into the Libyan siege when she said: "There was something said in the Commons at the beginning of the Falklands campaign by someone who knew a bit about intelligence which was totally and utterly devastating in the amount it gave away to those against whom the intelligence was directed. The moment you say too much the sources dry up."

This apparently refers to a remark made by Mr Ted Rowlands, the former Foreign Office Minister with responsibility for the Falklands, who said during the emergency debate on Saturday, April 3, that Britain had been reading Argentine telegrams for many years.

This disclosure of British intelligence methods infuriated the Government at the time and ministers protested. But the matter has otherwise been laid to rest. Mr Denis Healey, shadow Foreign Secretary last night demanded that Mrs Thatcher identify to whom she was referring.

Dr David Owen, the SDP leader and a former Labour Foreign Secretary, said yesterday it was "the height of folly and insensitivity for Mrs Thatcher to remind the world of that particular gaffe. Verbal mistakes once made, and no doubt regretted at the time, are best buried."

He went on to argue that "no one has contributed more to revelation about intelligence-gathering than the Prime Minister. It was she who ensured that the intricate workings of GCHQ were the subject of daily leaks throughout that self-imposed crisis."

Dr Owen said it was little short of ludicrous to give this incident as the excuse for not holding an independent inquiry by privy councillors in private into the Libyan siege.

Times 8/5/84



THE TIMES DIARY

People's bureau

The first formal meeting between Westminster and Buenos Aires since the Falklands conflict is about to be held in New York, between an all-party delegation led by Tory MP Sir Anthony Kershaw, chairman of the Commons select committee on foreign affairs, and Argentina's ambassador to the United Nations, Carlos Muniz. It has clearly upset Mrs Thatcher. Yesterday a Foreign Office spokesman said the exchange had "nothing to do with the Government" and urged me to "read nothing whatever" into it.

Tory backbencher Peter Bottomley, who in March signed a motion pressing for the resumption of relations, takes a different view. "In a democracy, people don't wait for governments to resume formal talks." The Foreign Office, meanwhile, continues to communicate with Buenos Aires in morse code: when Mrs Thatcher wants to speak she contacts the British ambassador in Switzerland via the FO: he tells the Swiss Foreign Ministry, which passes the message to the Swiss ambassador in Buenos Aires, who in turn...

McMillan-Scott Associates *Public Affairs*

41 Whitehall London SW1A 2BZ Telephone 01-9304935

PM faces challenge over reopened Falkland gaffe

By Julia Langdon
Political Correspondent

The Prime Minister will face strong pressure during question time in the Commons today to explain and justify her comments about intelligence activities during the Falklands war and the role played by an MP in revealing British tactics.

Mrs Thatcher did not name the MP in the course of a radio interview on Sunday in which she said that the effect of his speech had been "totally and utterly devastating in the amount which it gave away."

But it was authoritatively confirmed yesterday that the MP in question was the former Labour Foreign Office minister, Mr Ted Rowlands, who was minister of state from 1976 to 1979 with responsibility for relations with Argentina.

It was also revealed that after Mr Rowlands made his speech in the Commons during the emergency debate on April 3 two years ago that "private representations" were made to him.

Official sources yesterday refused to comment on the matter as did Mr Rowlands himself. It emerged, however, that some sort of official approach was made to Mr Rowlands to point out the need to keep quiet in future about the subject. He is said to have been aware of the fact that he made a mistake in saying, among other remarks about Argen-

tina: "As well as trying to read the mind of the enemy, we have been reading its telegrams for many years."

The angry reaction yesterday, however, was more directed towards Mrs Thatcher than to any individual for a slip-up which was seen by some as irrelevant and had, in any case, been forgotten by the public. Several Labour

intelligences and went on for five weeks," said Dr Owen.

He described Mrs Thatcher's remark in the radio interview as the height of folly and insensitivity. He said it was ridiculous to start a witch-hunt for the MP in question and ludicrous to use the incident as an excuse for not holding an independent inquiry into the Libyan siege.

"Verbal mistakes once made and no doubt regretted at the time are best buried," Dr Owen added. "Only 'nanny' Thatcher rumbles in and reveals the whole issue once again."

The Prime Minister also attacked a letter from the exiled Labour MP, Mr Tam Dalyell, one of her most persistent critics on the Falklands war, who is currently banned from the Commons for accusing her of lying over the Peruvian peace proposals.

Mr Dayell wrote: "You are under obligation to repeat your allegations in the House which imply dishonourable conduct quite as much as anything I may have said about you."

A senior Conservative MP, Mr Kenneth Warren, the Member for Hastings, who is chairman of the Commons Select Committee on industry, called on Mrs Thatcher to clear the matter up. It would be fair to all concerned to "name names now," he said.

GCHQ row, page 2

MPs attacked Mrs Thatcher, but more significantly, the Social Democratic Party leader, David Owen, also joined in.

Dr Owen, who was the Labour foreign secretary during the time that Mr Rowlands was his junior minister, said: "If anyone is not in a position to censure anyone else on a matter of intelligence, it is the Prime Minister." He attributed this to her handling of the GCHQ affair, about which his previous authority in the last Labour government would have given him some special information.

Dr Owen said that there were daily leaks for five weeks about affairs at the Government Communications Headquarters in Cheltenham which would make the famous so-called "ABC" secrets trial look like a picnic. "It was extremely damaging to British

World

FALKLAND ISLANDS

The High Price of Principle

A 19th century life-style persists as British build new defenses

The distant thundering explosions are vaguely reminiscent of the noise that kept residents on edge two years ago as British troops advanced across the barren hills to retake the Falkland Islands from Argentina. But these are not the sounds of war. Since last fall almost 700 men have been working up to 14 hours a day blasting through rock at Mount Pleasant, a bleak stretch of high ground 25 miles southwest of Port Stanley, the capital. They are building a new British military base with an 8,500-ft. runway that will be able to accommodate large military aircraft.

The new airstrip will serve as visible evidence of Prime Minister Margaret Thatcher's determination to retain the windswept South Atlantic archipelago, which is 8,000 miles from Britain and only 400 miles from Argentina. When the base is completed next year, Royal Air Force TriStar jets will be able to reach the Falklands from Ascension Island, a British possession in the Atlantic midway between Britain and the Falklands, in 8½ hours. Now the quickest flight from Ascension is a twelve-hour trip in turboprop C-130 Hercules cargo aircraft that have to be refueled in mid-air. More important, the new runway will allow the rapid deployment of British troops in an emergency. Although the democratically elected government of Argentine President Raul Alfonsin has replaced the military regime that invaded the Falklands in 1982, the British—and especially the Falklanders—remain suspicious of Argentine intentions. Says Sir Rex Hunt, who as civilian

Commissioner is in effect governor of the islands: "I think Alfonsin is an honorable man. He says the invasion was 'an illegitimate act by an illegal government in a just cause.' He is right on the first two counts. He should be convinced that he is wrong on the third."

In the weeks following the end of the war, islanders complained about the exhaust-spewing military trucks that were taking parking spaces on Ross

Road, the capital's main street. Residents who had to billet the soldiers, sleeping as many as four to a room, only half jokingly expressed fears for the women. Now the troops live in three large "coastels," self-contained floating barracks, each housing up to 930 men. The facilities have mess halls, gymnasiums and a squash court; they purify their own water and generate their own electricity. Says Major General Keith Spacie, commander of the 4,000- to 5,000-man British force: "Port Stanley is not a garrison town. We have got off the Falklanders' backs so they can lead as normal a life as possible."

When the troops began to call the townfolk "Bennies" (after a good-natured but dim-witted character on a popular British soap opera), the islanders picked up the name, which they now use more often than the time-honored "Kelpers" (after the seaweed that they once harvested). Locals, in turn, call the British soldiers "Whennies" because of their tendency to go on at boring length about the time "when I was in Belfast" or "when I was on Cyprus." Although occasional fistfights break out on Saturday nights in Port Stanley's pubs, an officer notes that "relations with the local population are a lot worse in some British towns I can think of."

The British presence has hardly altered the islands' 19th century life-style. Sheep farmers, the economic backbone of the islands, tend their flocks on the treeless hills, oblivious to the hubbub in Port Stanley. Says Jim Clements, secretary of the sheep-owners association: "If we didn't hear radios and see aircraft overhead, we wouldn't know the military is here." The civilian population has grown

by only 4% since the war, to about 1,870.

Except for a surge in the sale of postage stamps to collectors, the islands' economy is stagnant. Shopkeepers complain that, though they sell the troops quite a few

Hong Kong-made mugs, flags and ashtrays, they made far more money from the British goods they once peddled to Argentine tourists. The Standard Chartered Bank has opened an office on Ross Road, but the capital still has no barber shop, laundry or auto-repair garage.

Development of the islands is hampered by the "Falklands factor," the eight weeks that it takes for supplies to be ordered and to arrive from Britain. A memorial in honor of the 277

British soldiers who died in the Falklands war remains unfinished because polished stones were damaged en route. But distance is not the only excuse. Local officials have yet to set up an agency to allocate the nearly \$44 million from Parliament for the development of the islands. Half of the 54 three-bedroom prefabricated houses that were built at a cost of \$187,000 each to relieve the shortage of homes in Port Stanley stand empty because it will take as long as six months to hook them up to drains and water. Says the project's British manager: "You're up against a wall with the bureaucracy here. If you succeed, you're an embarrassment. If you fail, it's 'We told you so.'"

Although Britain and Argentina have cautiously begun to explore the possibility of resuming diplomatic ties and trade, the Thatcher government insists that the islands' sovereignty will never be discussed. The Falklanders, who used to be able to travel to Argentina to buy supplies or obtain health care, take their isolation in stride, even if it means a continuing decline in their living standard. For British taxpayers, however, the price remains high. Defense of the islands is now costing \$874 million a year, or \$467,000 an islander.

—By John Kohan. Reported by Gavin Scott/Port Stanley



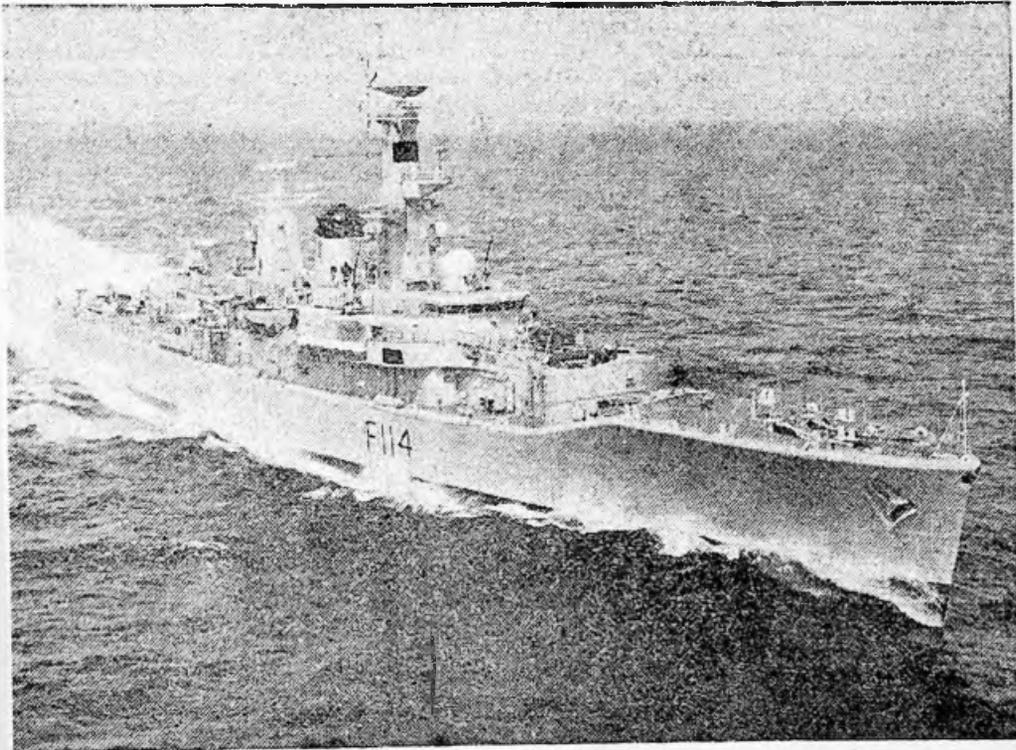
Commander Spacie

East Cove, a supply depot near the military base under construction



A country life little changed by the British presence





The frigate Ajax — the last ship of a famous line.

End of the line threat to Ajax

By A. J. McILROY

A CAMPAIGN is to be launched to save the Royal Navy's Ajax line threatened when the eighth warship to bear the name goes for scrap next year.

The present Ajax, the 2,450 tons Leander class frigate, is due to steam out of Portsmouth for the Falklands on what will probably be her last mission.

The Navy's shrinking surface fleet means there is unlikely to be another Ajax, and this has spurred the 240-strong Ajax Veterans' Association into action.

The name is one of the most battle-honoured in the history of the Royal Navy. There was an Ajax at Trafalgar, Jutland and the River Plate.

Town honour

"We played the lead in that battle which brought about the end of the German pocket battleship Graf Spee," Capt. Douglas Woolf, retired, spokesman for the veterans, said.

"As a result of that action a new town in Ontario, Canada, was named after us, surely a rare distinction for a ship.

"Our aim now is to use the

willing support of towns, sea scouts, institutions and all those associated or affiliated with Ajax to press for the name to be carried forward to ninth ship."

Going with the Ajax to the Falklands is a mounted whale's tooth commemorating the previous Ajax showing the flag in the islands in 1937.

Lost for some years, it was sent anonymously to THE DAILY TELEGRAPH without explanation and was handed to Capt. Abbott at the week-end as the Ajax completed a week of preparation at sea for her return to the South Atlantic.

Irony of etiquette that can gag an MP in the Commons

Sir,—The suspension of Mr Tam Dalyell from the House of Commons provides no answer to his allegations that the Prime Minister has lied over the Belgrano affair.

Mr Dalyell has been arguing, publicly at meetings around the country, that the Prime Minister lied to the House of Commons about events leading up to the sinking of the Belgrano. Specifically, he has argued that she knew about the Peruvian peace proposals — which could have resolved the Falklands crisis without war — before ordering the sinking of the ship. Mrs Thatcher has made no attempt to take him to court.

It is not strange that an MP who is supposed to be privileged in the House of Commons but not outside, can make grave allegations against the Prime Minister at public meetings with effective impunity, but be silenced for trying to make the same points in the chamber to which the Prime Minister is supposedly accountable?

Mr Dalyell is a man of principle, and no one could seriously imagine that he could now say that the Prime Minister did not lie over the Belgrano. For Mr Speaker to invoke what is effectively a rule of etiquette to prevent the ventilation of an unpalatable but substantial allegation is to reduce the House of Commons to the status of a genteel debating society.

As anyone who has heard Tam Dalyell expounding his allegations will know, there are powerful arguments in support of his claims. The allegations will not go away without the judicial inquiry that he has repeatedly called for.

Rather than silence the messenger, Parliament should listen carefully to the message, and respond as Mr Dalyell has suggested.—
Yours faithfully,
(Prof) P. T. Wallington.
Mason Gill,
Ingleton, Lancashire.

Sir,—On its second anniversary, the sinking of the Belgrano remains repugnant and unexplained. But why harp on it? One important point must be spotlighted.

About midday on May 2, 1982, the war cabinet had to consider whether to use the sophisticated Tigerfish torpedo rather than conventional Mark-4s—so as to cripple, rather than to sink the warship. The choice of weapon must have been the

war cabinet's—advised by Lord Lewin—and could not have been left to the submarine commander.

Crippling the warship would have thoroughly convinced the Argentines that venturing out of home waters was unwise and unsafe. Their admiral, for all his martial bluster, needed little persuasion.

Why then was it decided to use Mark-4s? We are told that the Tigerfish was not considered reliable and that it was expensive (c £500,000); but neither reason should have weighed against the political and human costs of using the Mark-4.

The only good reason for deciding to sink, not cripple, would be if Belgrano had presented a direct threat. For eight hours before its sinking it had been on course away from the task force, towards its home port. Now we see why the sinking has been shrouded in such secrecy at every point. If consciences are to remain clear, Belgrano must somehow remain a threat.

As Hastings and Jenkins note (Battle for the Falklands, p149) "Mrs Thatcher and her war cabinet stole themselves to demonstrate decisively and bloodily to Argentina that . . . they . . . would be met by whatever level of force proved necessary. . . ." Shakespeare has said it all (Macbeth, I, vii 7-10): ". . . but in these cases / we still have judgment here; that we but teach / bloody instructions, which, being taught, return / to plague the inventor."

After the Belgrano the war inevitably escalated. We were incredibly lucky. When Sheffield was sunk by a quite unexpected air-launched Exocet on May 4, Invincible was only 20 miles away.

On May 25 an Exocet "veered sharply in mid-air from a course towards the warships—including Invincible—and struck the Conveyor" (Battle for Falklands, p227). At the time a young rating on Invincible told graphically how, standing with an officer, he saw this missile swerve away from his ship.

It is ironic to think that sinking the Belgrano contributed precisely nothing to averting that danger. We were incredibly lucky.—
Yours sincerely,
(Prof) Harold B. Mattingly,
School of History,
The University of Leeds.

S
T.

SERVICEMEN FIGHT HOSPITAL BLAZE

IN THE BIGGEST emergency operation in the Falkland Islands since the invasion more than 200 men and women of the three Services assisted the local authorities when fire raged through the town's King Edward Memorial Hospital taking the lives of seven civilian patients and a nurse, writes Geoff Kay, JSPRO Falklands.

A further eight civilian patients and 14 military patients were evacuated from the inferno unhurt, but some suffering from shock and smoke inhalation.

The Services had been alerted within only minutes of the fire starting around 5 a.m., but the wind fanned up a fierce blaze which soon spread from the timber civilian wing to the military wing.

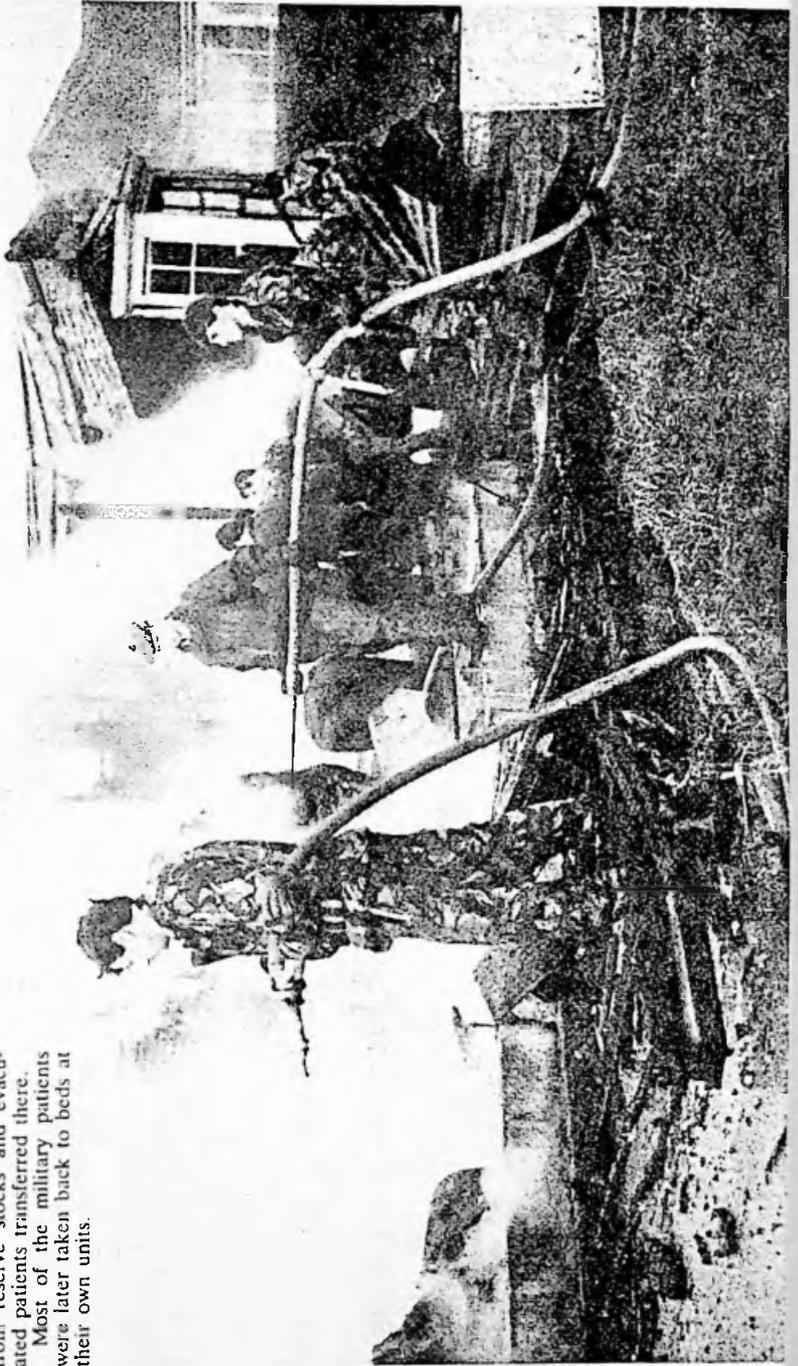
Tongues of orange flame piercing out of huge clouds of grey smoke in the pre-dawn darkness could be seen for miles around.

Bewildered patients, some able to walk themselves, others being guided by Servicemen and military nurses, emerged from the clouds of smoke to be taken to nearby houses.

Fire fighting crews from RAF,

from the hospital were making plans to set up a temporary "hospital" on the first floor of the Town Hall about 300 yards away. Beds, blankets, sheets and hospital equipment were brought in from reserve stocks and evacuated patients transferred there.

Most of the military patients were later taken back to beds at their own units.



Flexiport is opened

THE NEW floating port complex for the Falkland Islands was due to be opened last week by Major General K. Spacie, Commander British Forces Falkland Islands.

The opening of the port means the problem of supplying the garrison based on the Islands will be eased considerably.

The contract for the design, construction and installation of the port was placed by the Minis-

try of Defence, after considering some 30 proposals from all over the world, with ITM (Offshore) Ltd., of Middlesbrough, England.

The concept chosen is called the "ITM Flexiport" and consists of six 300 foot long, 90 foot wide barges that are linked together by a series of roadways. This large raft is held in place by mooring dolphins which are pile driven into the seabed. The port is linked to the shore by a seventh barge and a 525 foot long causeway.

Three of the larger barges have been equipped as warehouses providing 10,000 cubic feet of space and provision has also been made for extensive refrigerated storage. The whole complex is controlled from the Harbour Master's and operational staff offices, which are complete with self-supporting accommodation for 12 persons. There are galleys and messing facilities for 200 persons, and a hospital / sick bay is also provided.

ITM arranged for a semi-submersible ship to load and transport all equipment to the Falkland Islands, a distance of 8,500 miles. On arrival in the Falklands, the company's anchor handling / tug "ITM Seafarer" assisted the discharge procedure.

An ITM team was established on the Island before the shipment arrived, carrying out final preparatory work. They were accommodated aboard the company's crane vessel "ITM Mariner," which is equipped with a crane capable of lifting 200 tonnes.

With a crane boom having an outreach of 180ft., the "ITM Mariner" was an ideal construction support vessel. The accommodation for 96 persons was well used by marine and construction personnel throughout the five-month period.

The ITM Flexiport makes up the Falklands Intermediate Port and Storage System (FIPASS) and is the first-ever military application of the Flexiport concept.

First South Atlantic Dog Trials

A LARGE enthusiastic crowd turned out to watch the RAF in the first ever South Atlantic Service Police Dog Trials.

The event was hosted by RAF Stanley and nine RAF dogs and their handlers braved the strong easterly winds and occasional rain showers to compete under the watchful eyes of the judges, Sgt John Firth, ex-RAF Police School and CSM Jim Keen, ex Royal Military Police dog handler, both now of the Falkland Islands Garrison Provost Unit.

The first series of tests were designed to show the discipline of the teams and involved the dogs overcoming their natural fear of fire, demonstrating their agility over obstacles and displaying the understanding between dog and handler during the set obedience routine. A very high standard was reached by all teams but the star of these tests was undoubtedly Air Dog Jaeger handled by Cpl Paul Bray.

Jaeger was finishing the agility test and while on top of the last obstacle, spotted the station photographer directly in front of him. Deciding to do his criminal attack a little earlier than the others, Jaeger set off at speed but obediently responded to his handler's commands and merely hit the photographer at the trot, putting his paws on his chest and leaving without biting. Credit must be given to the photographer for not moving a muscle, but it is not clear whether this was paralysis or self-control!

After a short coffee break the German Shepherd Dogs were able to get down to what they enjoy most — attacking a criminal! This being the case, getting the dogs to leave, and then to stay, while the "criminal" was



□ The winners left to right: Cpl Maher and Henry (2nd), Cpl Townsend and Duke (1st), Cpl Cann and Stan (3rd).

being searched, proved a difficult task for some.

Excitement was provided by Air Dog Fritz, handled by Cpl Ian Warren, and Air Dog Chips, handled by Cpl Paul Goddard. Fritz provided the most impressive attack, biting hard on the criminal's shoulder on the way down from a spectacular leap. A superb attack, but Fritz was so excited he broke repeatedly while in the guard position. Chips, on the other hand, would not leave on his first attack and Paul was last seen dragging Chips and the criminal, in tandem, around the arena, vainly trying to make the dog leave.

Once the final totals were added up it became clear that the inaugural South Atlantic Trials had some worthy teams. Cpl Ian Cann and Air Dog Stan won the trophy for the best presented team and were placed third overall. Cpl Pete Maher and Air Dog Henry were forced into second place after a neck and neck battle with the eventual competition winners, Cpl Stu Townsend with Air Dog Duke. — *Flt Lt George Garrett.*

FALKLANDS

Thatcher's road to war

**Paul Foot shows how the navy
and the government have kept
changing their *Belgrano* story**

TWO YEARS after the sinking of the Argentine cruiser, *General Belgrano*, at the start of the Falklands War, how much nearer are we to the truth of what happened?

Quite a lot nearer. First, the main reason given at the time for the sinking has been proved false. The *Belgrano* was *not*, as Defence Minister John Nott told the Commons on 4 May 1982, 'closing in' on the Task Force. She was, as everyone now knows, going in the opposite direction and had been doing so for at least 12 hours before being sunk.

The position was, we are now told, that the cruiser was sunk because she was an enemy ship on the high seas at time of war.

Immediately this theory runs up against another substantial government error. The *Belgrano* was *not*, as a government White Paper blandly stated seven months after the event, 'detected' on the day she was sunk (2 May). She was, as Mrs Thatcher admits in a letter to Labour's defence spokesman Denzil Davies, 'detected' on 30 April, sighted early on 1 May, and followed by the submarine *Conqueror* for 30 hours before the order came to sink her.

If the *Belgrano* was a threat when she was sunk, she was plainly much more of a threat when first sighted. So why was she sunk as a threat when she was 30 hours less of a threat than when first sighted?

Mrs Thatcher insists, however, that the Peruvian 'peace plan', furiously discussed at the highest level for at least 20 hours before the sinking of the cruiser, had nothing to do with the sinking. Indeed, wrote Mrs Thatcher, neither she nor anyone else in London had any idea that there was a Peruvian peace plan before the sinking. The first news of it did not come to London from either Lima or Washington until after the sinking of the cruiser, some 24 hours after the plan was first discussed between the President of Peru and the American Secretary of State, Alexander Haig.

This amazing communications gap was put to Cecil Parkinson in the recent (16 April) *Panorama* programme on these events.

Mr Parkinson, who was a member of the Falklands war cabinet, got himself in rather a tangle. For one awful moment he seemed to be contradicting Mrs Thatcher and saying that the war cabinet *did* know of the Peruvian plan before the sinking. The transcript reads like this:



Admiral Lewin with friend at the Falkland service in St Paul's after the event

PARKINSON: We knew that all sorts of people were — people who wanted to see a solution, which we wanted to see, which the prime example is . . . was President Belaunde [of Peru] trying to take up where General Haig had left off, but we couldn't . . .

FRED EMERY: You knew that on Sunday, May 2nd?

PARKINSON: We knew that the continuing background . . . that was we wanted, we wanted, we wanted a diplomatic initiative to succeed. Now, so there was no question of us abandoning diplomatic initiatives, or saying well, that's the end of them, we'll sink the *Belgrano* and get on with the war. We said we must keep the military pressure up, and we must pursue negotiations and we were faced with the decision, here was a danger to our fleet and we had an opportunity to reduce that risk and we took it.

He recovered just in time from the admission that the war cabinet, which met *after* telling the chiefs of staff that they could sink the *Belgrano* outside the 'exclusion zone', had heard of the Peruvian initiative. Instead, he said, it only knew of 'continuing processes'.

But if Mrs Thatcher didn't know of the Peruvian plan, Francis Pym, Foreign Secretary, certainly did. He went to Washington on the evening of 1 May. On arrival (at about 7 pm) he gave a press conference, in which he was described as being 'in ebullient form'. There had, he reminded the correspondents, been a series of attacks that day on the Falklands by the Task Force. They were intended to 'concentrate the minds' of the Argentine government on a peaceful settlement. As an earnest of that, he promised that there would be no more military attacks *unless any enemy ships or aircraft penetrated the exclusion zone*. Angus Macpherson of the *Daily Mail* reported: 'It was clear that the British fleet would not fire first unless provoked by an

New Statesman 4 May 1984

Argentine attempt to breach the 200-mile zone' (*Daily Mail*, 2 May 1982).

Mr Pym then went to bed, apparently, without so much as a phone call to Secretary of State Alexander Haig, who had been conducting most of the peace initiatives between Britain and Argentina over the preceding weeks. (Haig thinks that he did speak to Pym on the phone that night, but Pym on *Panorama* thought not.)

HAIG WAS very busy. According to his own account, he was 'up all night'. He was talking to President Belaunde, who in turn had been talking to General Galtieri of the Argentine. The Peruvian President found the Argentines in a mood to settle. Their minds *had* been 'concentrated' on peace by the British attacks. They *had* underestimated British resolve and commitment; and were anxious not to be humiliated in a war. The peace proposals of Belaunde (immediate withdrawal of both sides, and a four-country group to administer the islands) seemed attractive to Galtieri. Haig and Belaunde were up most of the night in eager and enthusiastic discussions.

At 10 am on that Sunday, Pym met Haig. They talked all morning, had lunch at the British embassy and spoke again on the telephone later in the afternoon. What were they discussing? Haig and the Peruvians are quite clear that they were discussing the text of peace proposals which they had good reason to believe the Argentines would accept that afternoon.

There are several references to 'texts' and 'documents' in the versions of both Belaunde and Haig. At his specially called press conference in Lima at 4.45 pm on the afternoon of 2 May 1982, President Belaunde said: 'The document is not a capitulation for either side.

'I think it has the merit of being a *testament of victory* . . . In a couple of hours, it may be possible to advance much of the conclusion of the final *text*'. (my italics)

President Belaunde went on to say that he hoped peace might be signed in Lima that very night. In answer to a journalist's question, he replied:

In the course of the morning obviously work was done on this *document* (my italics), and although the Secretary of State did not tell me this, he dropped me two or three hints which perhaps might derive from his conversations with the British Minister . . .

This view was strongly supported by Haig on the *Panorama* programme.

HAIG: We had progressed rather well on the telephone. We were down to *words, single words* and specifically in two *paragraphs* of the six points and of course these *words* were critical and it was critical to know whether or not they were acceptable to the British government. (my italics)
FRED EMERY: Were they?

HAIG: Well, basically, we arrived at some articulations that appeared that they might be.

Now compare these clear recollections of both the Peruvian President and the American Secretary of State with what Francis Pym remembers. He told *Panorama*:

There was *no text* discussed between us on Sunday, *no actual words* . . . there was *no actual piece of paper with a text* being altered — there was *nothing like that*.

If it had been like that, then of course it would have been different. I would have been in touch with London right away about the *words* and so on, but it wasn't like that. (my italics)

He confirms that neither he nor Sir Nicholas Henderson, the British Ambassador in Washington, sent a single simultaneous word to London about the all-night phone conversations between Haig and Belaunde, nor about the three hours talks before lunch, nor about the talks over the lunch. He insists, as Thatcher does, that no news of the Peruvian initiative was sent officially from Washington until well after the *Belgrano* was sunk.

But what if the news leaked out unofficially? On *Newsnight* a year ago, Peter Snow quoted a source 'close to Haig' as saying that Haig phoned Thatcher around lunchtime in Washington that day. The coded messages to the Argentine fleet to return from the battle zone had gone out (at the latest) in the very early hours of the morning, and were almost certainly in the hands of the British Chiefs of Staff as they surveyed the war scene that Sunday morning. The Prime Minister and her Chiefs of Staff must also have known (as Mr Parkinson has admitted) at least that some diplomatic initiatives had started in an attempt to haul the parties back from the brink of war. Indeed the official government line was that hostilities had been called off that Sunday so that the diplomatic talks could go on in a comparatively calm atmosphere.

Peace on the Peruvian terms would have solved the Falklands dispute without much bloodshed; but it would have been disastrous for the Tory government and especially for the naval chiefs who were looking forward to proving their threatened ships and equipment in a 'hot' war. Perhaps the permission to change the rules of engagement, without announcement, and to sink the *Belgrano*, won from the

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war cabinet in a hurried meeting over drinks just before lunch at Chequers that Sunday, provided the Chiefs of Staff with a useful card up their sleeve, if the Peruvian peace business got 'out of hand'.

IT DID get 'out of hand'. By early afternoon, the peace room in the President's Palace at Lima was being prepared for a provisional treaty-signing ceremony. Haig was most enthusiastic about the peace terms. Had they been presented to the British government and the British military with the full support of the United States, Peru, the Argentine and the United Nations, they would have been impossible to resist.

In this context, it is worth recalling the other great mystery of the *Belgrano* story. Mrs Thatcher and the war cabinet gave permission for the sinking shortly before 1.00 pm British time. The cruiser was not sunk until seven hours later. Why the delay? Admiral Lord Lewin, Chief of the Defence Staff at the time, told *The World This Weekend* on 30 January 1983: 'On this occasion, communications worked very quickly'.

It was early in the morning in the US (8 am) when the war cabinet agreed that the cruiser could be sunk outside the announced exclusion zone. In Washington, General Haig was recovering from his all-night talks. Francis Pym was probably still asleep, oblivious, apparently, that the talks had taken place. Certainly no one bothered to tell him of the *Belgrano* decision. In the seven hours that followed, negotiations about the peace took huge strides forward. It was clear at least to the Peruvians and to Haig that by noon in America (5 pm in London) a peace agreement was a strong possibility; and that the Argentine armed forces council would be deciding the matter in five hours' time. There seemed no way that anyone could stop the onward march to peace.

At one stage that day, the Prime Minister of Peru, Manuel Ulloa Elias, who took part in the telephone negotiations, begged Haig to persuade the British to hold off while the talks hung in the balance. 'You must at least make the British fully aware of the consequences that

anything like the break of a sort of *de facto* armistice would have on the Argentine decision', he remembers saying to Haig; and Haig replying that he would 'do his best' (Ulloa's interview with Mike Reid, for *Daily Mirror*, 8 June 1983).

In her letter to Denzil Davies, Margaret Thatcher claims that the order to sink the cruiser went out 'immediately' after the Rules of Engagement were changed by the War Cabinet at 1 pm. This conflicts sharply with the diary from a member of the crew of the *Conqueror*, quoted on *Panorama*. This says that the order was received at 1400 hours, South America time (7 pm London time), six crucial hours after the Rules of Engagement had been changed, and less than three hours before the Argentine officers sat down to discuss the Peruvian peace plan. One hour later, the *Belgrano* was sinking, with more than 300 of her crew already dead. The news came to the Argentine meeting after it had been in progress for an hour. Talks about the peace treaty were at once suspended. The war was on. Although negotiations continued for several more days, there was no longer any hope of a settlement.

Two years' persistent questioning, led by the indefatigable MP for Linlithgow, Tam Dalyell, have blown all the planks of the government's story to pieces. The *Belgrano* was not steaming towards the British fleet, but away from it. It was not sunk on sight as a threat, but trailed for 30 hours. If it ever was part of a supposed 'pincer movement' on the British fleet (and the Argentine experts are divided on this), the pincer movement had been called off the previous day, some 16 hours before the sinking. The Burdwood bank, cited by so many admirals as a 'danger' to a submarine, was no such danger. A submarine of any type would have no difficulty in crossing it.

All the important details of the story are false. Why should anyone believe the substance? Why should we not believe that the only conceivable reason for sinking the *Belgrano* at that time and place was to put an end once for all to any chance of peace? □

Paul Foot writes a weekly column for the Daily Mirror.

MP is ordered out of Commons

The Guardian 3/5/84

The Labour MP Mr Tam Dalyell was ordered out of the Commons and suspended for five days yesterday after refusing to withdraw an allegation that Mrs Thatcher had lied about peace talks during the Falklands conflict.

Despite repeated warnings by the Speaker, Mr Bernard Weatherill, he refused to withdraw the "lying" remark. The Speaker then "named" Mr Dalyell, MP for Linlithgow, and the Leader of the House, Mr John Biffen, formally moved that he should be suspended.

Some Labour MPs forced a division, but the House voted to expel Mr Dalyell by 196 votes to 33, a majority of 163.

The row broke out during questions to Mr Norman Tebbit, the Trade and Industry Secretary, after Mr Dalyell asked about new trade initiatives with Argentina after the establishment of a civilian government in Buenos Aires.

He then changed his attack to the British Government's handling of the Peruvian peace initiative before the sinking during the Falklands war, of the Argentine cruiser, the General Belgrano, two years ago yesterday.

Mr Dalyell accused the former Trade and Industry Secretary, Mr Cecil Parkinson, of "letting the cat out of the bag" on a recent BBC TV Panorama programme by saying that he had known of the peace initiative before the decision to sink the Belgrano was taken.

Mr Dalyell said: "The Right Honourable Gentleman let the cat out of the bag on Panorama by revealing that he knew about President Belaunde's peace plans —with the clear implication that the Prime Minister is lying."

The Speaker intervened to order Mr Dalyell to withdraw the remark. He told the MP: "You have been here long enough to know we should not attribute lying to members of this House."

Mr Dalyell did not withdraw the remark and said it was a matter of fact, not of supposition.

At the end of question time the Speaker, to cries of "hear hear" from Tory benches, again asked Mr Dalyell to withdraw his remark about the Prime Minister.

The process was repeated several times more and Mr Dalyell insisted: "I said that by implication the Prime Minister had lied, and there is proof and evidence for it."

Despite, even then, receiving one more warning, Mr Dalyell still refused to withdraw. And when he began: "It's a matter of fact...", Mr Weatherill stopped him and told the House: "I name Mr Tam Dalyell."

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Dalyell suspended in 'Thatcher lied' row

By WILLIAM WEEKES Parliamentary Staff

MR TAM DALYELL was ordered from the Commons yesterday for persistently failing to withdraw an allegation that Mrs Thatcher had lied over the sinking of the General Belgrano during the Falklands war.

The Labour MP was "named" by the SPEAKER, Mr Weatherill, after being asked 10 times to withdraw the remark.

It was made during exchanges at Question Time about trade initiative with the new civilian government in Argentina.

A group of Labour MPs opposed the formal motion moved by Mr BIFFEN, Leader of the House, which resulted in Mr Dalyell being suspended for five working days. The motion was agreed by 196 votes to 33.

The row started when Mr Dalyell, MP for Linlithgow, claimed that Mr Cecil Parkinson, the former Trade Secretary, had "let the cat out of the bag" on a recent BBC "Panorama" programme by revealing that he knew of the Peruvian peace plans — "with the clear implication that the Prime Minister was lying . . ."

'Matter of fact'

Conservative protests interrupted Mr Dalyell's assertions and Mr WEATHERILL immediately asked him to withdraw.

"You have been here long enough to know we should not attribute lying to Members of this House," Mr Weatherill said.

Mr DALYELL retorted that it was "a matter of fact, not of supposition."

"Though the Speaker again sought a withdrawal, Question Time continued with Mr TEBBIT, Trade and Industry Secretary, accusing Mr Dalyell of bad manners and getting his facts wrong.

The matter did not end there. At the end of Question time, and to approval from the Conservatives, Mr WEATHERILL insisted on a withdrawal.

'Last warning'

Mr DALYELL repeatedly rose to try to speak and was repeatedly told he must withdraw. He said before being pulled up by the Speaker that there was proof and evidence for saying the Prime Minister had lied.

Mr Dalyell went on apparently trying to justify his claim, and the SPEAKER went on trying to get him to withdraw, finally declaring: "I do not propose to have any further argument on this. This is your last warning."

Conservatives cried "Name him" as Mr Dalyell persisted, and Mr Weatherill finally took the action which ended with Mr Dalyell's departure from the Commons as the first MP to be "named" in this Parliament. Two other Labour MPs, Mr



Mr DALYELL: "Named" by the Speaker.

Dennis Skinner (Bolsover) and Mr David Nellist (Coventry SE), have also been ordered from the Commons in this Parliament, though not under the "naming" procedure.

Mr Skinner went after calling the Conservative party chairman, Mr John Gummer, a "hypocrite," and Mr Nellist had to leave after remarking that a Conservative MP was "well paid" to support the South African Government.

TAM DALYELL SUSPENDED

By Our Political Staff

Mr Tam Dalyell, Labour MP for Linlithgow, was ordered from the Commons yesterday and suspended for five days for refusing to withdraw a claim that the Prime Minister had lied over the sinking of the Argentine cruiser General Belgrano.

The Speaker, Mr Bernard Weatherill had asked Mr Dalyell 10 times to withdraw his allegation when a formal motion to suspend him was put by Mr Biffen, Leader of the Commons. The clash came on the second anniversary of the attack on the Belgrano.

Parliament—P8;
Sketch—Back page

Argentines urged to close ranks

From Douglas Tyeedale
Buenos Aires

President Raul Alfonsín made a renewed call for national unity in the face of economic problems on Tuesday as he formally opened Congressional sessions with a two-hour speech.

Nearly half of the President's "state of the republic" message to joint houses of Congress was taken up with an outline of the economic crisis he inherited from the military Government when it stepped down last December and the measures he has taken to combat it.

Señor Alfonsín announced that Argentina would send a letter of intent outlining its economic programmes to the International Monetary Fund "in the coming days."

"We inherited a state that was totally distorted," Señor Alfonsín said. He warned that "The country is still at the edge of the abyss" and called for "A profound reconciliation" among Argentines to confront the crisis.

In the course of his speech before Congress, President Alfonsín also said: "We hope the distances which separate us from Great Britain (in the Falklands conflict) can be overcome, and we expect a recognition of this spirit from the British Government and an equally broad will to resolve this conflict."

Wham, bang, thank you Tam

FOR the first time in exactly two years the Government's business was steaming confidently through the Commons last night in the certain knowledge that the British Telecom flotation statement or the Health and Social Security Bill would not suddenly be Exoceted by Mr Tam Dalyell.

No longer will totally unrelated questions about the sinking of the Belgrano come hurling out of the murky blue sky during discussion of glue-sniffing or Welsh tourism. For the moment our hero's guns are silent, and not before time in the opinion of the 196 members who dashed with more than usual eagerness to vote for his suspension.

The critical question facing historians of the incident is what happened in the interval between Tam's first incursion into the parliamentary Total Exclusion Zone (his charge of "lying") and the reluctant launch of HMS Weatherill's wire-guided torpedo some twenty minutes later.

What went wrong with the Tebbit peace plan and where was Mr Pym? Was the Tam retreating towards an apology at the time or simply

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engaged in zigzagging manoeuvres with hostile intent? It is the reluctant conclusion of this observer that the Tebbit plan was never on and that — on this symbolic day — Tam was deliberately asking for it; as indeed was the Belgrano. Under the established rules of engagement HMS Weatherill had no choice.

The Sinking of the Tamgrano occurred against the background of undiplomatic exchanges over the state of Britain's trade and industry. Mr Dalyell himself had approached the TEZ at around 3.15 under cover of a question about following up Mr Cecil Parkinson's trade initiative of 1980 now that democracy was restored in Argentina.

Suddenly the 51-year-old battleship veered hard to starboard. Students of Jane's Fighting Backbenchers recognised this familiar tactic by a vessel of the Dalyell class. Mr Parkinson had let the cat out of the bag by revealing on Panorama that he knew about the peace plan, "with clear implication that the Prime Minister is lying . . ."

Tory MPs growled. Tam is a man of noble obsessions. But this one is almost certainly wrong. It requires Mrs Thatcher to be not only wicked but reckless: she might have lost the war. However, this was immaterial to the offence. Mr Speaker Weatherill invited Tam to withdraw "that word" — please, he added.

Tam: "By implication. It is a matter of fact, not supposition . . ." Mr Speaker, "Nevertheless . . ." The exchange was repeated twice amid Tory cries of withdraw and Skinnerite cries of "Don't withdraw Tam," until Tam, who is after all an Old Etonian, said: "could we return to this at 3.30 Mr Speaker?" "He's still not withdrawn," screamed an outraged Mrs Kellest-Bowman.

This brief stand-off was the obvious moment for the Tebbit plan. Mr Tebbit launched it. Tam had got Mr Parkinson's constituency wrong, he said, adding with a placatory snarl that he couldn't get his facts right if he had twenty years to do it in. The message was uncomprising: withdrawal before negotiation.

At 3.30, the "Matters arising" hour of the Commons day, Tam rejected the Tebbit plan. He blamed the clerks for getting Cecil's details wrong. But Mr Speaker was determined not to lose him in the shallow waters of Hertfordshire constituencies. Twice more Tam ignored his orders to withdraw. For the first time HMS Weatherill warned — "And I very much regret this" — that he might "be forced to take further action."

Tam zagged on. "Withdraw," roared the Tories That Support our Girl. "I would be very grateful, please, if you would help in this," murmured Mr Speaker, who issued a last warning (Twice). Then, after the fourth zig zag it was Up Periscope: "I name Mr Tam Dalyell." A week's suspension loomed. Tam headed for the door.

Daily Mail
3rd May 1984

Dawn swoops as military probe Task Force thefts

By HARVEY ELLIOTT
Defence Correspondent

MILITARY equipment worth millions of pounds bound for the Falklands war may have been stolen before it ever left Britain. The equipment was urgently needed by British troops and the thefts could have impaired their fighting ability.

Police and military investigators working in strict secrecy are hunting dozens of men believed to have operated in well-organised gangs,

Yesterday after a series of dawn raids 30 men were taken to police stations in Oxfordshire.

They were questioned about combat clothing, gas masks, kit bags and other items sent out from the Army's depot at Bicester.

Checks

Fifteen civilians and seven soldiers were still being held last night.

This equipment was only part of that believed to have vanished.

Heavy earth-moving

plant badly needed by the Army 'disappeared' from docksides and is thought to have found its way on to civilian building sites in this country.

Painstaking checks have been made by investigators of inventories at Ordnance factories to discover just what was sent out. These are now being compared with records of what reached the Falklands.

Red tape at depots and docks was slashed because of the haste to get equipment away to the

war zone. Paper work was kept to a minimum.

This, investigators believe, allowed the gangs to divert equipment into private warehouses from which it was later sold.

The investigation, so secret that few senior officials in the Ministry of Defence knew of it, involved teams of Special Branch and military Intelligence men keeping a watch on suspects.

At one time it was believed that the missing equipment had been destroyed in ships sunk by the Argentines.

Daily Mail
3rd May 1984



The sinking of Tam Dalyell

*Said Ernest Newman,
Next week Schumann ;
But next week came
And it was Wagner just the same.*

The famous cleric hew mocking the great music critic's addiction to Wagner might be adapted for Mr Tam Dalyell (Lab. Linlithgow, suspended).

*Said Tom Dalyell,
Next week BL ;
But next week came
And it was Belgrano just the same.*

Yes, it does rhyme : that's how Dalyell is pronounced. To be fair, the eccentric Laird of the Binns (his wittily-named country seat) often poses questions on subjects far removed from the Falklands, Argentina and the sinking of that luckless warship. But he usually manages to get on target in his supplementary questions which link the most improbable topics to some aspects of the Falklands conflict supposedly damaging to Mrs Thatcher.

Thus, on the Order Paper (I improvise) : Mr Tam Dalyell to ask the Secretary of State for Social Services whether he has further plans to include the supply of National Health Service dentures. And then the supplementary : 'Is the Right Hon. Gentleman aware that Gen. Galtieri was supplied with false teeth by the NHS and does he consider this a proper use of public funds?' Thus has Mr Dalyell earned the nickname, Member for Rosario and San Lorenzo.

Child's play

His ingenuity, being a bit predictable, can pall. Thus some of us weaker mortals tend to switch off when he switches himself on. Wherever he starts, we think we can guess more or less where he'll end up. Few of us therefore stirred when he posed yesterday a question about following up the initiatives of Mr Cecil Parkinson (Con. Hertsmere) on a trade mission to Argentina in 1980. It would obviously be mere child's play for such a seasoned Thatcher-baiter to redirect his missile to hit her somewhere below the waterline.

Yet the supplementary, as it developed, surprised us all. Mr Dalyell declared that Mr Parkinson had let the cat out of the bag by confessing on Panorama that he knew about the Peruvian peace initiative before the decision to sink the Belgrano was taken. The clear implication is, he continued, 'that the Prime Minister is lying'.

We gasped. 'Lying' is not a word permitted in this place. The Speaker invited Mr Dalyell to withdraw it. Mr Dalyell refused. The invitation was repeated in ever more pressing terms. Again and again Mr Dalyell refused.

'You have been here long enough to know,' the Speaker said. 'You are a very experienced Member.' With great regret, the Speaker threatened 'other action' if Mr Dalyell persisted. He ordered him to withdraw 'at once.' He begged Mr Dalyell for his help. Otherwise 'I shall be forced to name you,' albeit with the 'deepest reluctance.' He issued a 'Last warning,' then 'one more warning.'

Guns blazing

Throughout all this Mr Dalyell was attempting with diminishing success to justify his charge. He claimed that it was 'a matter of fact, not of supposition,' bumbled repeatedly on about facts, lies, proof and evidence, till finally the Speaker's almost infinite patience was exhausted. At last he 'named' the obstreperous laird—i.e. suspended him for five days. It had been a heroic encounter, as if an irresistible force had met an immovable object, though which was which was hard to say. It ended, to be sure, with the sinking of Mr Dalyell : but he went down with guns still blazing, defiant to the last.

Some were inclined to deplore his martyrdom ; they bellowed 'shame' and 'disgrace.' They should perhaps wonder whether he had himself knowingly erected the stake, piled up the faggots and handed the Speaker a match.

Military stocks 'ran short in Falklands campaign'

BY BRIDGET BLOOM

THE ARMY, Navy and Air Force all ran short of critical equipment during the six-week Falklands campaign, despite the Defence Ministry's policy of holding military stocks and spares to cover at least three years' requirements, the influential Commons Public Accounts Committee heard yesterday.

The PAC, the commons independent watchdog, was hearing evidence from MoD witnesses, led by Sir Clive Whitmore, the permanent secretary, on a report on military stores from the controller and accountant general.

The MoD's stocks, the report showed, comprised 2.5m different inventory items with an approximate book value of £5bn. National interest tied up in the stocks, calculated at 10 per cent on replacement value, exceeds £500m, while annual operating costs total over £300m.

Some stocks have been held for 40 years, although the average of three years was down to 2½, following the short Falklands war, which showed, Sir Clive said, that the MoD's

policy was roughly right.

He said the unpredictable nature of the Falklands had made stores planning more difficult, acknowledging that certain key items, such as fire control equipment, had run short.

Sir Clive was questioned closely by MPs on a fire in 1983, which destroyed Donnington, one of the army's main stores depots, which, Mr Michael Shersby (Con, Uxbridge) said, revealed "an alarming state of affairs."

Stores worth £169m had been destroyed but replacements worth only £51m were being ordered, Sir Clive said.

Breaking down the major headings of what was not being replaced, Sir Clive said that £37m worth of stores were considered obsolescent, though they were being held until their replacements were fully in service, £21m represented equipment close to withdrawal from service, £26m was accounted for by "falling demand" and £13m was "over provisioned."