PREM 19/2022

Confidential Filing

Visits of Mr Swan, Premier of Bermuda

BERMUDA

PART 1:

May 1982

UK/Bermudan Relations.

PREM 19/2022

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
~~25.5.82~~		~~11.4.84~~					
~~4.6.82~~		~~30.4.84~~					
~~16.6.82~~		18.9.84					
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		~~9.7.86~~					
		~~6.8.86~~					
		26.6.87					
		PART ENDS					

PART 1 ends:-

PM BERMUDA TO PM 26.6.87

PART 2 begins:-

CDP TO FCO 1.7.87

New Dish is World's Window on Bermuda

Official Inauguration of Bermuda's Standard 'A' Earth Station

by
The Honourable John W. Swan, JP, MP
Premier of Bermuda
30th April, 1984

THE PREMIER'S MESSAGE

Cable and Wireless has been a household name in Bermuda since July of 1890, and during the past 94 years has served our community well.

In the last decade, communications technology has advanced at such a rapid pace that we find ourselves in the midst of an information revolution. Bermuda, like other advanced societies, will benefit greatly from these quantum leaps in high technology. The Cable and Wireless Earth Station is one example of Bermuda's movement toward an information society.

As a result of this Earth Station, Bermudians will be able to communicate easily with their families, friends, and business colleagues throughout the world. It will also enable Bermuda to capitalise on the fast growing field of satellite communications.

On behalf of the Government and people of Bermuda, I congratulate Cable and Wireless for their foresight, and their commitment to building an information society in Bermuda.

John W. Swan, J.P., M.P.
Premier of Bermuda

THE CHAIRMAN'S MESSAGE

During the many years in which Cable & Wireless has been associated with Bermuda, we have consistently utilised the latest and most appropriate technology to meet the international telecommunications needs of the community. The installation of the Standard 'A' Earth Station is yet another demonstration of our commitment to meet Bermuda's growing requirement for ever better telecommunications.

The inauguration of the new Earth Station marks a major development of Bermuda's facilities. The installation will handle all forms of telecommunications traffic including, for the first time in Bermuda, intercontinental transmission of television. In addition to providing capacity for massive traffic expansion in future years, this Station will significantly enhance route diversity thereby ensuring the high degree of reliability required in this developing age of rapid information transfer.

The decision to implement this major project is a measure of the confidence we have in the future prosperity of Bermuda and its people, and a clear demonstration of our belief that telecommunications traffic is a major indication of economic activity.

I would like to thank the Government and the people of Bermuda for their co-operation and assistance, and I look forward to a further 100 years of mutual co-operation.

Eric Sharp, C.B.E.
Chairman of Cable & Wireless PLC

THE STANDARD 'A' EARTH STATION ANSWERS BERMUDA'S FUTURE COMMUNICATIONS NEEDS.

The law of supply and demand is taken just as seriously in the field of telecommunications as it is in other areas of industry. It played a large part in the decision taken by Cable & Wireless PLC to provide Bermuda with the sophisticated new Standard 'A' Earth Station dish that now towers over the Cable and Wireless Devonshire site.

A growth of close to 300 per cent in telephone and telex traffic to and from Bermuda had been experienced in the five years leading up to 1980, and an exhaustive survey conducted at that time by the local management of Cable & Wireless indicated that capacity would be inadequate by 1985, despite the superb service being given by the submarine cable system.
To meet this predicted demand, in early 1981, the Company contracted with Marconi Communications Systems Limited to provide three state-of-the-art Standard 'A' Earth Stations, the other two, in this unprecedentedly large order, being located in Hong Kong.

The 97-ft diameter antenna, the latest in a world-wide 'family' of forty such earth stations constructed for Cable & Wireless, will access an Intelsat V satellite in a geostationary orbit 22,375 miles above the equator over the Atlantic Ocean.

With a special ability to provide high-speed data transmissions directly to and from the other countries connected to the system, the huge dish enhances the international service already provided by the three submarine coaxial cables that link Bermuda with the U.S., Canada, the West Indies and beyond. In one multi-million dollar step, Bermuda's future international telecommunications needs have been taken into account. So much for the need to have a communications satellite antenna. Once this was accepted, the task of erecting it in Bermuda had to be faced, and here the company found the Government and people of Bermuda encouragingly receptive to the concept of the Earth Station.

To maximise the benefits of the Earth Station — and especially the increased routing flexibility it provides — an International Telephone Switching Centre was incorporated. A power house with three turbocharged diesel generators has also been constructed to provide the increased power back-up facilities now required.
But as a construction challenge, the 120-ft high dish has towered over all other aspects of the $20 million Devonshire development. It has called for and received a degree of quality workmanship and physical tolerances that brought out the best in every person connected with the project.
The huge base on which the 400-ton revolving dish rests was a case in point. Local contractors Sealand Construction Ltd. were required to

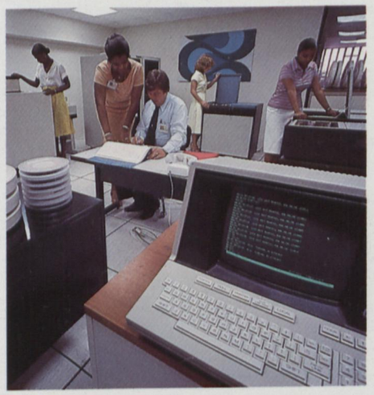
follow a design that will enable the dish to withstand 210 m.p.h. wind gusts and actually operate in winds of up to 135 m.p.h. Much of the 2,415 cubic yards of concrete and 36 miles of reinforcing rod used on the Devonshire project went into the base to meet these demands.
To give the dish structure complete mobility as its automatic sensors follow the Intelsat V satellite and make minute-to-minute adjustments, the entire affair sits on a giant circular rail which is fastened to the base by 360 bolts, positioned one for every degree of the compass. Here the local contractor was working to tolerances measured in millimetres.

The antenna itself, which was erected by Mitsubishi Electric, benefitted from being the third in a series of such earth stations installed by Cable & Wireless. Mitsubishi erected the first two in Hong Kong and so came to Bermuda well versed in the problems created by what is a brand-new design. For the 14 Japanese engineers involved it was to be the smoothest and most structurally perfect assignment of the three.

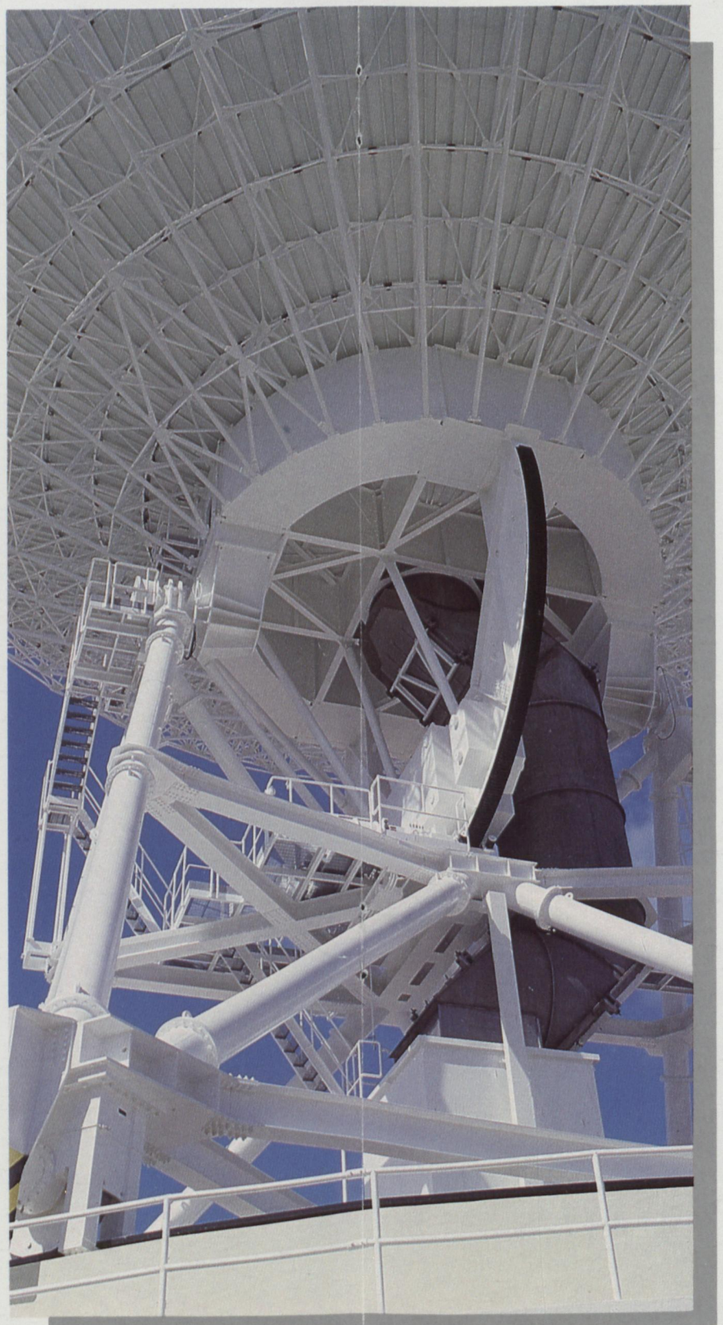
An example of the challenge facing the Japanese experts was the creation of the inner skin of the dish, which acts as a reflector and focusses the weak signals received from space on to the receiving antenna. To do this job properly, each of the 385 panels in the reflecting surface had to be 'profiled', that is aligned precisely on the supporting frame to an accuracy of 80 thousandths of an inch. The task had to be accomplished at night away from the expansion effects of the sun's heat, and subsequent tests have shown the work to have been outstandingly accurate.
Also involved in the project have been the Nippon Electronics Corporation, who provided the equipment which is used to interconnect the international telephone and telegraph systems. These major contractors were materially assisted by a host of sub-contractors, most of whom were drawn from the local construction industries. Much of the credit for the excellent work that can be seen at the Devonshire station goes to these professional companies.

TELEPHONE CALLS
By far the most important function of the new Earth Station will be to provide Bermuda with a direct telephone service to and from other countries covered by the 'footprint' of the Atlantic Ocean Region satellites. New direct telephone trunk routes will initially connect Bermuda with the U.S., Canada, the U.K. and Jamaica, and then France, Germany and Scandinavia and will give greater diversification and more efficient connections to meet local demand to the end of the decade.

DATA TRANSMISSION
With the market for data transmission and retrieval enjoying the same explosive growth in Bermuda as elsewhere, the new Earth Station enhances the Island's ability to provide high-speed data links with other countries. The high-speed concept is particularly attractive to banking institutions and international traders.



TELEX SERVICES
The company's 540 telex customers will enjoy the same improved service as the telephone user and benefit from the new direct satellite routes as they are introduced. The Earth Station will be in an excellent position to meet any future growth in the Island's international telecommunications demand.



TELECONFERENCING
With the technology required for two-way video and sound transmissions advancing in leaps and bounds, the Earth Station will enable Bermuda to offer teleconferencing facilities between the Island and, say, New York or London. Local offices of international corporations, government agencies and banking institutions might find such a service of interest, as it enables the participants to conduct a meeting under virtually normal conditions with people several thousand miles away.

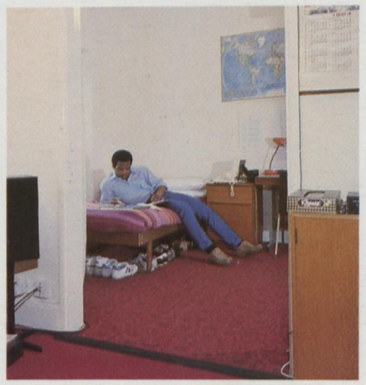
LIVE TELECASTING
For the first time, Bermuda will be able to beam live television transmissions to other countries. International sporting events, Royal Visits, major political conferences, news stories and the like can now be transmitted from the actual site via a microwave link to the Devonshire station and then directly overseas from the new Devonshire centre. The dish will also be able to receive live television programming.

SPACE EXPLORATION
Since the 1960's, Cable & Wireless has been closely associated with the breathtaking exploration of space. The new Earth Station will assume many of the transmitting and receiving functions carried out previously by the existing Standard 'B' Earth Station. The recent decision by U.S. President Ronald Reagan to fund the creation of permanently-manned space stations in orbit around the earth will allow us to make an even more dramatic contribution in years to come.

IN-DEPTH TRAINING PROGRAMMES OVERSEAS FOR BERMUDIANS

The Cable & Wireless group of companies is one of the largest international telecommunications organisations in the world, with over 65 countries benefitting from its highly advanced technological systems. It would not have reached this position, however, if it had not adopted an enlightened programme for training nationals in these countries to work side by side with its skilled foreign service personnel.

In Bermuda this emphasis on training has been particularly successful. Eighteen years ago, when the Company's voluntary Bermudianisation programme was first introduced, 50 of the people who worked for Cable & Wireless in Bermuda were foreigners on work permits. Today, with the technical staff increased to 70 to take care of expanded services, our specialised overseas staff numbers 35 and our Bermudian technical staff numbers 35 full-time employees and five in training in the United Kingdom. From the inception of this programme it has been the Company's objective to recruit six students with the appropriate starting values each year and provide them with specialised training in the United Kingdom at the Company's expense while offering them a basic salary. It was possible in the early years to attract as many as eight Bermudian trainee technicians into the company, but the high rate of attrition was largely due to the demand for trained personnel in the community as a



whole. Today, with all the other opportunities that exist for gifted students, we have to work hard to get three or four new trainees a year, but by and large they remain with the Company.

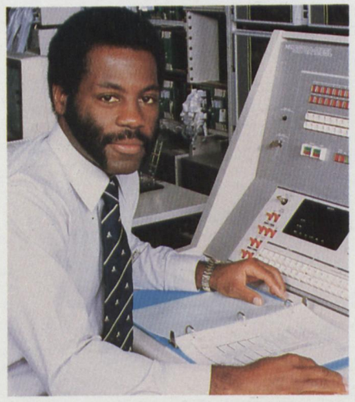
Ideally, Cable & Wireless is looking for persons aged 18 or 19 years, with five 'O' levels including English, Mathematics and Physics. Trainees are paid $11,000 a year while attending a 12-month comprehensive course in our renowned Telecommunications College at Porthcurno, in Cornwall. After completion of the course, these technicians take examinations which are the present-day equivalent of the City & Guild Examinations and if successful progress to $18,000 a year.

After returning to Bermuda, the graduate is placed in one of the specialised sections for which he has received training.

These sections include those dealing with the submarine coaxial cable terminals, radio systems, earth stations, private network systems, customer services, and the automatic telex exchange. The company actively encourages its Bermudian staff to work closely with its expatriate specialists who take a pride in passing on as much of their skills as is possible during their tenure in Bermuda.

Promotion to the highest posts is available to the Bermudian who qualifies through hard work and dedication, and it is notable that a number have already reached senior management level.

Among them one can number Mr. John Fuge, Manager (Engineering), Mr. Cornell Fox, Manager (Commercial) and Mr. Neville Tyrrell, Manager (Administration and Personnel). Another local success story is Mr. Frank Morgan, Technical Supervisor (Technical Operations Centre), who recently returned from a two-month course in Tokyo where he studied specialised telephone switching equipment, subsequently visiting Cable & Wireless in Hong Kong and



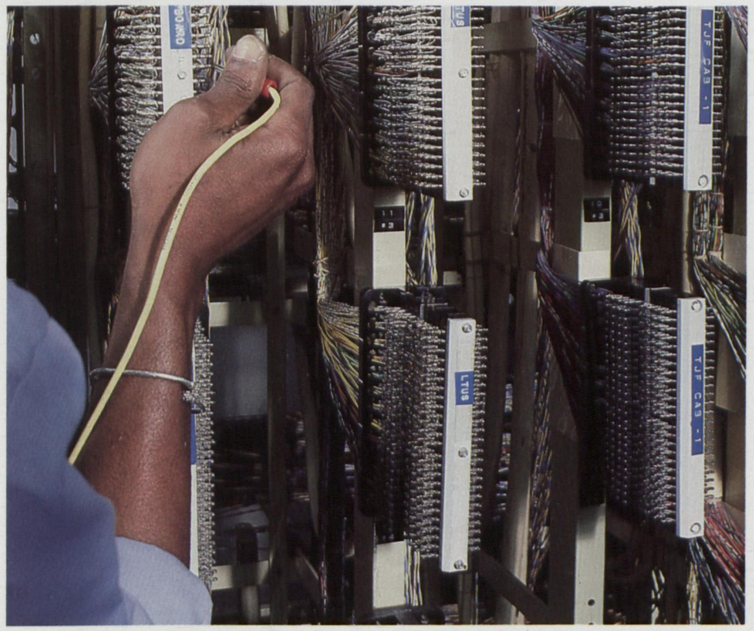
Bahrain to study the equipment in real time operations.

Telecommunications get more demanding as the years go by, but thanks to its manpower planning and training programmes, Cable & Wireless has successfully managed to recruit Bermudians with the necessary ability to keep abreast of these developments and by so doing to enjoy a rewarding career.

Eighteen years ago it would have been a brave man who predicted that by 1984, 70 per cent of the staff in Bermuda would be Bermudian and yet that is the current situation.

In a world of continual and rapid change, it is vital for an expanding nation to possess a fast and reliable international telecommunications system.
This applies particularly to a country such as Bermuda which is heavily involved in tourism, banking and offshore trading which in turn depend on good communications facilities for efficient operation.
International telecommunications first came to Bermuda in 1890 and since then the world has changed beyond all recognition from that viewed by the Victorian pioneers.
The pace of life has accelerated, international trade has grown tremendously and people now demand a quality and realiability of communications undreamt of 90 years ago.
Cable & Wireless has, through its founding companies, given close to a century of continuous commitment to Bermuda and in so doing has built up a tradition of efficient and dedicated public service that continues today.
The company's relationship with Bermuda began on June 8, 1890, when the S.S. Westmeath steamed into Grassy Bay to land the shore end of the Halifax-Bermuda submarine cable. Two days later Queen Victoria received a telegram from the Governor and people of Bermuda, and the Island had entered the age of electrical communications.
Bermuda's second international cable connection followed in 1898 with the linkup with Turks Island, the cable continuing southwards from the Turks & Caicos to Jamaica. For the next quarter century the industry concentrated on increasing the efficiency of the system while fighting off the threat of the competing international radio communications systems.
Reason prevailed in 1929 when the two interests, represented by some 30 British companies, merged into a single company known as Imperial & International Communications Limited. Five years later the name was changed to Cable & Wireless Limited and the industry really took off.
Bermuda had already opened a wireless coast station by then for aircraft and shipping in the North Atlantic, but really broke through to the forefront of international telecommunications in 1931 when a radio telephone circuit was opened to New York. The circuit was the first of its kind to be operated by the company and only the second ever in the world after the London-New York link.
In 1937, long distance short-wave direction finding for aircraft and shipping put Bermuda's name even more firmly on the map and this, coupled with existing submarine cables, gave her a position of considerable importance as a communications centre during the ensuing Second World War.
In the years following the war, Cable & Wireless found itself asked to provide increasingly sophisticated communications systems for air traffic using the new Civil Air Terminal as the Island's tourist industry revived and the banking and international companies industries expanded.
In the fall of 1961 a submarine coaxial telephone cable was laid between Bermuda & Manahawkin, New Jersey. When opened in January 1962 it introduced 80 high quality international telephone circuits to Bermuda to cater for her growing needs. Four years later a further 80 channel cable was laid between Bermuda and Tortola and in 1969 a 480-channel cable linked Bermuda with Halifax, Nova Scotia.
These major developments set the scene for the establishment of Bermuda's reputation as a modern communications centre and helped answer the increasing demand for fast and reliable international telecommunications. The provision of an international telex service in 1962 and its replacement with a computerised automatic telex exchange in 1974 further enhanced the Island's reputation in this regard.

The wisdom of these improvements quickly became apparent as the Island's telex and overseas telephone traffic increased by 300 per cent in less than six years, a good reflection of Bermuda's growing economic prosperity and its confidence in the modern business world.
The introduction of one of the world's most sophisticated new services - International Database Access Service (IDAS) - has taken Bermuda into the 1980's in an extremely good position to be able to attract overseas interest. IDAS connects local subscribers with North American databases and remote computer processing resources and is a uniquely inexpensive service for the consumer.
And now Cable & Wireless has added a state-of-the-art Standard 'A' Earth Station Antenna and an international telephone switching centre to its local facilities in a never-ending search for ways to improve its service to its Bermuda customers.
The Cable & Wireless motto for Bermuda is 'Always Planning Ahead to Stay Ahead' and we believe that we have lived up to this serious commitment in a hundred different ways over the past century. We look forward to serving the people of Bermuda with the same dedication in the exciting years ahead.

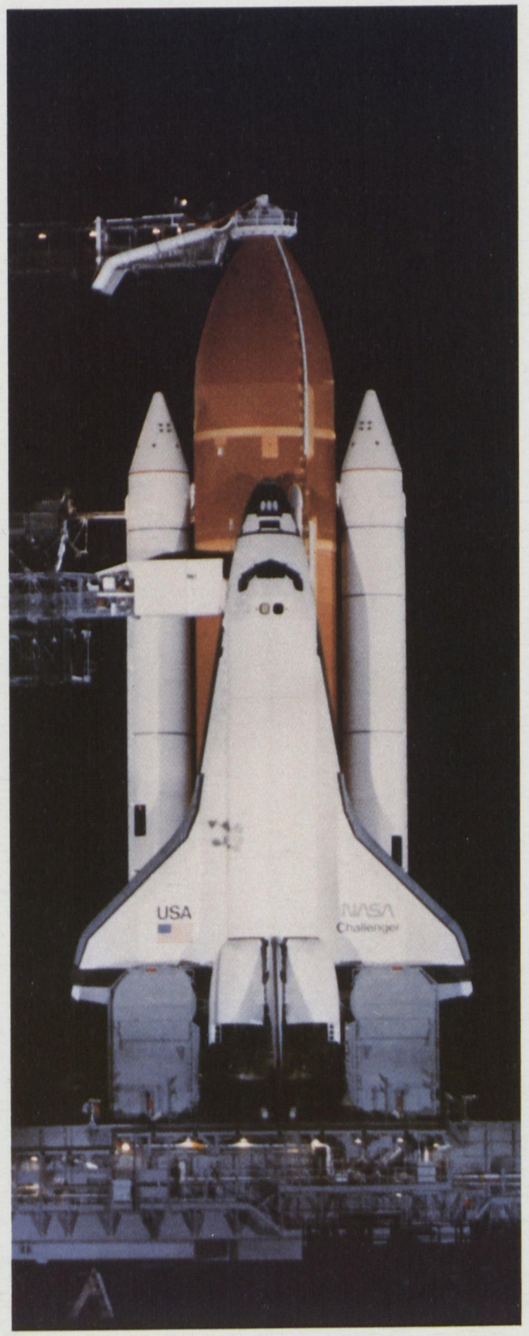


WITH NASA SINCE APOLLO

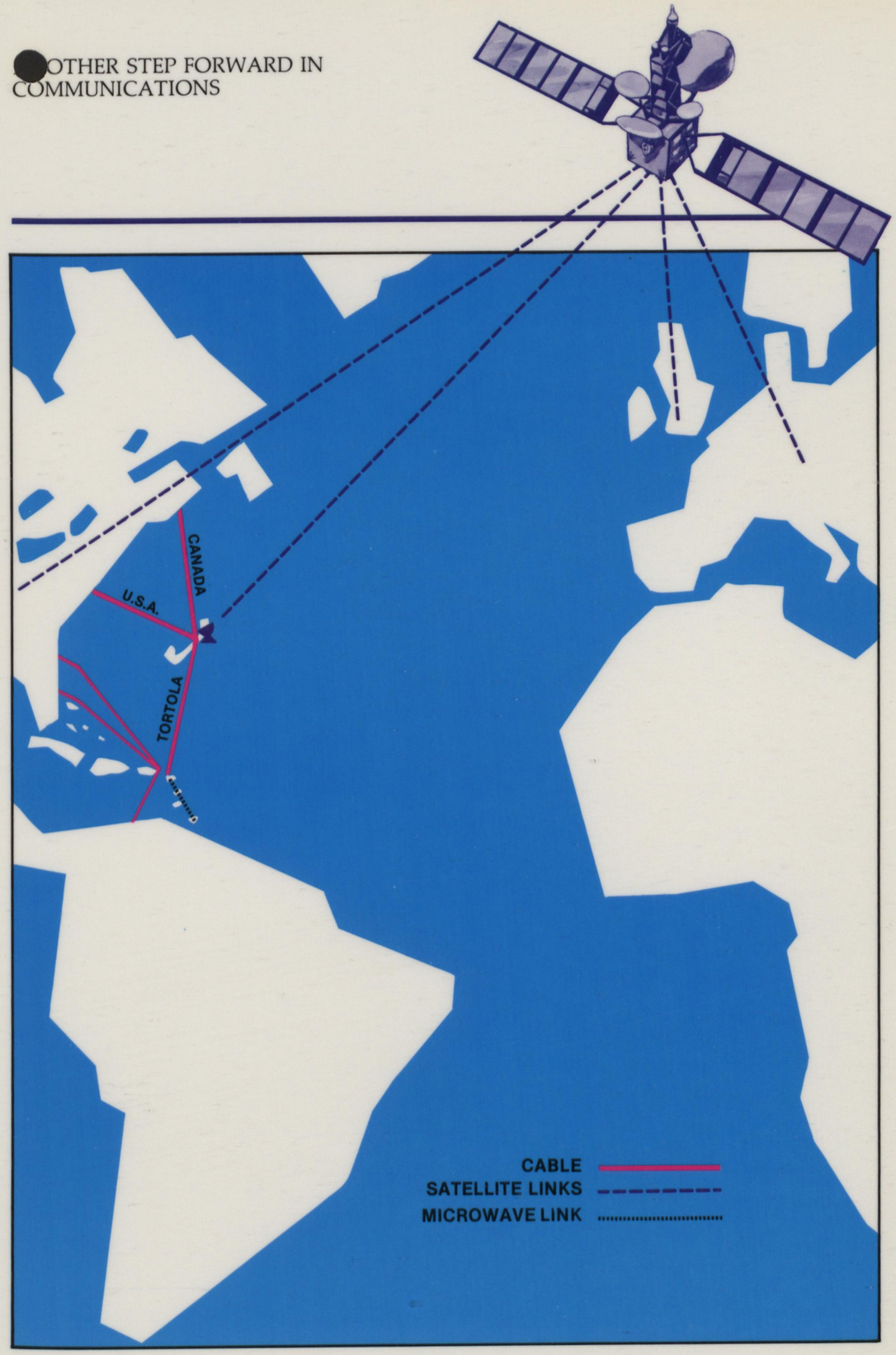
Bermuda's vital position down-range from the Kennedy Space Center, and the part played by the Island's facilities during space missions, highlight the close relationship which has existed now for many years between the National Aeronautics and Space Administration of the United States, and the Cable & Wireless Group. From the earliest days our network of radio and cable links served to carry telemetry and voice communications from tracking stations around the world back to Mission Control, with Bermuda as a pivotal point in that system. Vital in-flight data from the one-man Mercury capsules was received by monitor ships dotted across the North Atlantic, relayed by HF radio to Bermuda, and passed then on to submarine co-axial cable for the remainder of its journey to the mission controllers. With the opening of the Cooper's Island tracking station, data was received directly from the two-man Gemini space craft as they passed within range. The success achieved in launching men and machines into space has had a dual effect. More and better communications were required to support the missions at the same time as the experience gained allowed the development and introduction of the communications satellites we now take so much for granted. It is truly fitting therefore that the Cable & Wireless Group's first Earth Station, opened on Ascension Island in 1969, was provided to meet NASA's requirements for the Apollo lunar programme.

That early station operated with the precursor of the INTELSAT worldwide network of communications satellites, the network which today carries the majority of the world's international satellite circuits. This same network carries also much of NASA's traffic for the continuing space programme. Opened in 1978, the Bermuda Standard 'B' Earth Station provides both 56Kbps data streams and normal voice/data channels between the Cooper's Island tracking station, and Greenbelt Space Center in Maryland via an Intelsat Va satellite positioned in the Atlantic Ocean Region, and a corresponding Earth Station at Andover in Maine. Some, though not yet all, of the links will be transferred to the new Standard 'A' Station.

Cable & Wireless is pleased and honoured to have been associated with every manned space mission undertaken by NASA. It is our commitment that the quality and reliability of our services continue to live up to the high standards demanded by those who had the vision and the ability to put Man on the Moon.



ANOTHER STEP FORWARD IN COMMUNICATIONS



CABLE & WIRELESS PLC, CHURCH STREET, HAMILTON 5, BERMUDA, TEL. (809)29-5-4777

Designed by Hart Advertising Limited, Bermuda Printed in Bermuda by The Island Press Ltd.

SUBJECT
cc OPS
MASTER

CCPC

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 126A/87

Premier

Filed on:
BERMUDA:
Visit of Premier of Bermuda.
May '82.

The Cabinet Office
Hamilton 5-24, Bermuda
26th June, 1987.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

My dear Prime Minister,

As our Governor, Viscount Dunrossil, is going to London next week for talks with Foreign and Commonwealth Office Ministers and officials, I am asking him to convey to you a personal invitation to visit Bermuda either on the way to or returning from the forthcoming Commonwealth Heads of Government Meeting in Vancouver in October.

I realise how many calls there are on your time, but in Bermuda we value highly our long standing and close connection with Britain, and even if you could only make a short visit, it would be a great tonic and inspiration.

I recall with pleasure your short refuelling stop in Bermuda on the way to the 1985 Commonwealth Meeting and I hope that this year you might manage to stay with us for a little longer.

With warmest regards,

Yours sincerely,

John Swan

8RW

6 August 1986

I enclose a copy of a letter to the Prime Minister from Premier Swan of Bermuda.

(C. D. POWELL)

Robert Culshaw, Esq.,
Foreign and Commonwealth Office.

CCL

SUBJECT cc MASTER
OPS

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T140C/86

Premier

The Cabinet Office
Hamilton 5-24, Bermuda

25th July, 1986.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

My dear Prime Minister,

I write to thank you for meeting with me and the Secretary to the Cabinet during my recent visit to London. As usual, I was accorded a very warm and cordial reception.

Our meeting, inter alia, provided an opportunity to discuss South Africa and I appreciate the considerable detail in which you explained your views on sanctions. We, like most world leaders, are both united in our conviction that the system of apartheid must be dismantled. The difference of opinion, especially in the Commonwealth, is how best to achieve this objective within a reasonable time and without inflicting even greater hardship on the majority of people in South Africa.

I do hope and pray that despite the difficulties we are presently facing over the issue in the Commonwealth, that we are able to somehow agree on a formula that would lead to the elimination of apartheid and the creation of a new South Africa where all men are treated equal without regard to race, colour or creed.

It was a great pleasure to see you again.

Kindest personal regards and best wishes for the future.

Yours sincerely,
John Swan

ECL

file

SUBJECT CC MASTER

bc: PC

10 DOWNING STREET

From the Private Secretary

9 July 1986

Dear Robert,

PRIME MINISTER'S MEETING WITH PREMIER SWAN OF BERMUDA

The Prime Minister had a brief meeting with Premier Swan of Bermuda this morning. Most of the conversation was devoted to South Africa on which the Prime Minister explained her views on sanctions in considerable detail. Premier Swan appeared to be impressed by some of the arguments which the Prime Minister advanced, in particular by the serious effect which sanctions would have upon the black population of South Africa and on neighbouring states. Premier Swan did not specifically raise the question of further measures by the Bermuda Government.

Premier Swan said that the issue of independence was still very much under discussion in Bermuda. It was difficult to run a country without full responsibility, for instance on matters such as police and security. He made clear that he felt very deeply about the issue of independence.

Premier Swan confirmed that discussions with the United States on tax concessions were going well and he hoped that an agreement would be signed at the end of next week.

I enclose a copy of a transcript of remarks made by Premier Swan to the press at the end of the meeting.

Yours sincerely,

Charles Powell

CHARLES POWELL

Robert Culshaw, Esq.,
Foreign and Commonwealth Office.

DS

PREMIER SWAN OF BERMUDA

PS: Obviously Mrs Thatcher and I had a broad range to topics to discuss and South Africa was one of them.

Q: Did you try to persuade her to change her mind about sanctions.

PS: She expressed her views in the end and allowed me an opportunity to express my views to her. I think we both had an opportunity to express views as they relate to the conditions in South Africa.

Q: What's your own position?

PS: My own position obviously is that it is felt that the sooner the matters in South Africa that are affecting the people can be resolved, the better it will be for the overall interests of the country and the people in the country.

Q: And do you think the Commonwealth should introduce further measures and wider economic sanctions?

PS: I think the Commonwealth should act as reasonably as possible to ensure that humanitarian conditions in South Africa are improved but not to a point where the people will suffer under it.

Q: Are you content that your interests in the Commonwealth should be represented by Britain since your independency?

PS: The decision to be represented by Britain in the Commonwealth is a decision that is made by the people of Bermuda and as long as that remains their determination then it is not for me to decide otherwise but to go along with the people of Bermuda.

Q: And are the people of Bermuda happy with Mrs Thatcher's position?

PS: I can only say that it is, what is the constitutional position of Bermuda and that ebbs and flows of politics are something that we have learned to live with. Thank you.

GN9AGI

E.R.

PRIME MINISTER

MEETING WITH PREMIER SWAN OF BERMUDA

You have a meeting with Premier Swan tomorrow. A brief is attached.

The main issue to discuss is South Africa, on which you will want to give him an account of our policy. You will recall that you wrote to him in February (letter in folder) to explain why we could not agree to Bermuda imposing comprehensive sanctions. He may revert to this now that the EPG's mission has failed. You will not be able to say anything new in advance of the Commonwealth meeting in August.

A Bill providing for a referendum on Independence was recently defeated in the Bermuda Senate. You might like to ask Premier Swan how he sees the next steps. (He wants to be the man who leads Bermuda to independence.)

The Bermuda economy is flourishing, largely because tourism is benefitting from the decline in Americans visiting Europe.

He is apparently making progress in his negotiations with the Americans on tax concessions (which he mentioned to you last time he came here).

C.D.P.

(CHARLES POWELL)

8 July 1986

VC49

cc PC
B/UP.

Foreign and Commonwealth Office

London SW1A 2AH

8 July 1986

Dear Charles,

Visit by Mr John Swan, Premier of Bermuda, 5-11 July: Courtesy Call on the Prime Minister, 9 July

I enclose briefing for the Prime Minister's meeting with Mr Swan on Wednesday 9 July at 10.00 am.

Mr Swan will be visiting Britain privately and will attend the Land Policy Conference at the Hilton Hotel on 6/7 July. The call on the Prime Minister is at Premier Swan's request. The following day Lady Young will host a lunch in his honour.

Mr Swan last visited Britain in June 1985 (when he was made a Freeman of the City of London) and called on Lady Young. The Prime Minister will recall her meeting with Mr Swan on 16 October 1985 when they met briefly at Bermuda Airport during a refuelling stop en route to the Commonwealth Heads of Government Meeting.

Earlier visits to London by Mr Swan were in June 1982, and in February and November 1984; on the two latter occasions he called on the Prime Minister. A record of the November 1984 meeting is enclosed.

We understand that Mr Swan is unlikely to raise any new issues with the Prime Minister. However he will certainly wish to discuss recent events in Southern Africa and HMG's policy.

Yours ever

Robert Culshaw

(R N Culshaw)
Private Secretary

C D Powell Esq
10 Downing Street

COURTESY CALL ON THE PRIME MINISTER BY MR JOHN SWAN, PREMIER OF BERMUDA: 9 JULY 1986 AT 10.00 AM

Our Objectives

a) To seek the Premier's views on the issue of Bermuda's independence following the recently failed independence referendum bill in the Senate;

b) to congratulate the Premier on the progress of negotiations with the US authorities of an agreement on federal tax concessions;

c) to inform Premier Swan on HMG's policy towards South Africa;

His Objective

a) To express his Government's concern at events in South Africa and seek reassurance as to HMG's future policy;

Your Responses

a) Remain very concerned at situation in South Africa. Have expressed our concern to South African Government at imposition of State of Emergency and detentions without charge.

b) A great disappointment that EPG was not able to achieve what it set out to do.

c) But stand by underlying aims of mission: to promote suspension of violence and dialogue with authentic black leaders. Have therefore agreed to European Council's request that Foreign Secretary visit Southern Africa as representative of the Twelve in further effort to establish conditions in which dialogue can begin. Do not believe promotion of dialogue a lost cause.

d) Keen to get on with this initiative. Foreign Secretary visiting Zambia and Zimbabwe this week. Expects to visit South Africa later in month. Further visits to and within region not excluded.

e) Agreed with Partners that we should look at further measures on contingency basis. Will have discussions with other industrialised countries. Want to demonstrate Europe's condemnation of SAG without provoking them to react in a way that would rule out dialogue and compromise.

f) Hope you agree that vital at this time that nothing is done to undermine Foreign Secretary's mission. All parties would prefer genuine dialogue to measures of any kind.

g) Understand concern behind calls for comprehensive sanctions. But concerned at possible consequences (increasing white resistance).

h) Must wait and see what emerges from Foreign Secretary's mission before considering what else might be done: eg at Commonwealth Review.

i) Important to remember we have implemented wide range of measures already (Arms Embargo; Gleneagles; EC and CHOGM measures agreed last year). We enforce these measures strictly and because of scale of our involvement they have some impact. UK has now completed implementation of Commonwealth Accord by introducing ban on import of gold coins from South Africa (23 May).

j) Took opportunity of Oliver Tambo's recent visit to London to open dialogue with ANC at Ministerial level. Impressed on Tambo our belief that only by suspension of violence could necessary conditions for dialogue be created.

PRESS LINE

1. Prime Minister welcomed the opportunity afforded by this brief courtesy call by Premier Swan to have a useful exchange of views on a number of bilateral and international issues, including HMG's policy towards South Africa.

2. They last met in Bermuda on 16 October 1985.

SWAN, THE HON JOHN WILLIAM DAVID, JP MP

Premier since January 1982. Minister of Home Affairs August 1977 - January 1982; Minister for Immigration and Labour February - August 1977; Parliamentary Secretary for Finance January - June 1976; member of the House of Assembly since 1972; born in Bermuda in 1935; educated West Virginia Weslyn College, where he gained a BA degree 1960; founder and Chairman of John W Swan Limited, a Real Estate Company; married with three children; interests golf and fishing; belongs to many local sports clubs.

BRIEFING FOR COURTESY CALL ON PRIME MINISTER BY PREMIER SWAN OF BERMUDA:

9 JULY 1986

ESSENTIAL FACTS

1. The Bermuda islands, lie in the Western Atlantic Ocean approximately 570 miles to the east of the United States. The land area is only 20.59 sq miles. The population numbers approximately 55,000, with a 60/40 division of African/European origins. The climate is generally mild.

Government

2. Bermuda is an internal self-governing dependency, with a Governor, currently Viscount Dunrossil, - appointed by the Queen - responsible for defence, external affairs, internal security and the police.

Internal Politics

3. There are three political parties in Bermuda, the United Bermuda Party (UBP), the Progressive Labour Party (PLP) and the recently formed National Liberal Party

(NLP). Few policy differences are apparent: all are relatively conservative.

(See attached note on the balance of political parties.)

Independence

4. A Bill providing for a Referendum on Independence was introduced in the Senate on 19 February 1986 by Senator Richardson. Following mounting opposition and no noticeable public support for it the UBP caucus of 10 April decided not to support the Bill but only to re-examine the issue. The Bill was defeated on 30 April by 8 votes to 2. However Premier Swan apparently intends to ensure that the public debate continues. A referendum in 1988 before the 1990 elections is a possibility.

5. Support for the bill came from the relatively new National Liberal Party; opposition from the Progressive Labour Party. The latter however was widely thought to be likely to support the idea of independence should it ever come to a vote. The ruling United Bermuda Party were split along mainly racial lines with ethnic Africans in favour and the ethnic Europeans opposed. Premier Swan

wishes to be the man to lead Bermuda to independence but he will have to move cautiously lest he antagonises the powerful right wing of his party which could probably overthrow him.

6. Our formal position is that we would not wish to stand in the way of independence if that were the clear wish of the Bermudan people that they should proceed towards it. But we have a constitutional responsibility to ensure that whatever modalities are eventualy agreed are such as to achieve the aim of establishing a broad consensus on the issue.

7. HM The Queen has followed events closely and the Palace have asked to be kept informed if anything significant arises from Minister's discussions with Premier Swan.

Defence

8. Bermuda is important strategically for NATO in general and for the US who have various defence facilities on the island. The Canadians have a small communications station. The UK lease a small Naval Base.

The Economy

9. The economy relies on:

a) Tourism, Bermuda's principal industry. This season is turning out to be a boom with the US tourists staying away from Europe visiting Bermuda instead;

b) International finance. Premier Swan has been negotiating over tax concessions for conventions held in Bermuda by US companies and on premiums paid by insurance companies based in Bermuda and controlled by US and/or Bermudian nationals. He raised this matter with the Prime Minister during his call on 14 November 1984.

Relations with the UK

10. In general, relations between Bermuda and the UK are excellent. Bermuda is Britain's oldest Colony. Bermudians particularly value their 377 year old link with the Crown and Parliament. A UK Branch Delegation of the Commonwealth Parliamentary Association visited

Bermuda from 13-21 June 1986. The delegation comprised:

Sir Edward Gardner QC MP

Lord Ellenborough

Mr Eric Forth MP

Mr Richard Holt MP

Rt Hon Alfred Morris MP

South Africa

11. With 60% of the electorate of African origin Premier Swan believes that the introduction of limited sanctions on South Africa has the overwhelming support of Bermudians.

BERMUDA: BALANCE OF THE POLITICAL PARTIES

1. Following the latest election on 29 October 1985 the parties in the House of Assembly stand as follows:-

United Bermuda Party	31	(62%)
Progressive Labour Party	7	(31%)
National Liberal Party	2	(7%)

(Figures in brackets indicate share of the poll on a 69.7% turnout)

2. Leonard Frederick Wade was chosen as the new leader of the PLP, replacing Mrs Lois Brown-Evans, who resigned following the party's worst general election defeat.

3. Gilbert Darrell is parliamentary group leader of the tiny NLP formed by break-away members of the PLP.

4. Briefly the characteristics of the parties are:-

a) UBP is a multi-racial party (it attracted half the

black vote and nearly all the white at the last election) and is conservative in its policies.

b) PLP is a middle of the road socialist party attracting mainly black voters. Mr Ottiwell Simmons, member for Pembroke East, has since 1974 been President of the Bermuda Industrial Union (Bermuda's largest union), the party's power base.

c) The NLP was formed after four right-wing members of the PLP in the Assembly were suspended. In August 1985 they launched the new party under the leadership of Gilbert Darrell. Only two of the four retained their seats at the recent election.

5. MPs in Bermuda hold regular jobs, politics being a part-time occupation. The Senate meets on average one day a week for 20 weeks a year.

RESTRICTED

10 DOWNING STREET

From the Private Secretary

14 November 1984

PRIME MINISTER'S MEETING WITH PREMIER SWAN OF BERMUDA ON 14 NOVEMBER

The Prime Minister saw Premier Swan of Bermuda this afternoon for a courtesy call. The conversation was mostly general. However, Premier Swan raised one substantive point and that was to suggest that it might become appropriate for Bermuda to seek some sort of mutual assistance treaty with the United States. As I understood the idea, it was to incorporate in treaty framework the advantages which the United States enjoyed in Bermuda and at the same time to prevent some of the harassment which Premier Swan believed Bermuda suffered at the hands of the United States Internal Revenue Service, the treatment of Bermudians travelling to the United States and so on. He did not develop the idea, but did subsequently say that it was speculative and he would not wish to bring Bermuda to independence under the wrong sort of conditions.

C.D. POWELL

P.F. Ricketts, Esq.,
Foreign and Commonwealth Office.

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

22 May 1986

PROPOSED CALL BY PREMIER OF BERMUDA

Thank you for your letter of 21 May asking whether the Prime Minister would be able to receive a brief courtesy call from Premier Swan.

The Prime Minister would be happy to do so and would be able to see him at 1000 on Wednesday 9 July.

C. D. POWELL

R. N. Culshaw, Esq.,
Foreign and Commonwealth Office

RESTRICTED

CA

10-10.30 on 9th July

DIO

cc PL

RESTRICTED

Foreign and Commonwealth Office

London SW1A 2AH

21 May 1986

Prime Minister
Agree to see Premier Swan briefly?
CDP 21/5 Yes mt

Dear Charles

Proposed Call by Mr John Swan, Premier of Bermuda, on the Prime Minister

Premier Swan is due to visit London privately from 5-11 July and has asked that, if possible, arrangements be made for him to make a brief courtesy call on the Prime Minister.

The only day during his visit on which Premier Swan will not be available for talks is Tuesday 8 July, but we are arranging for him to call on the Secretary of State during the afternoon of Thursday 10 July. Lady Young has agreed to host a lunch for him earlier that day. We would not normally seek an appointment with the Prime Minister during what is a private visit, but Premier Swan has established a friendly personal relationship with Mrs Thatcher and there are issues, particularly the possibility of Bermudan independence (which would involve negotiations to secure the future of important UK and NATO defence interests) and sanctions against South Africa (about which the Prime Minister wrote to Premier Swan on 17 February) over which the relationship could prove helpful to both countries. We would accordingly see value in arranging for a courtesy call on the Prime Minister, if her diary allows for one.

Yours ever,

R N Culshaw

(R N Culshaw)
Private Secretary

C D Powell Esq
PS/10 Downing Street

RESTRICTED


21 JAN 1989

SUBJECT
cc OPS
Master.

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T206AA/85

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TO DESKBY 041245Z HAMILTON
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OF 031206Z NOVEMBER 85

YOUR TELNO 88: BERMUDA GENERAL ELECTION.
PLEASE PASS FOLLOWING MESSAGE TO PREMIER SWAN FROM THE PRIME MINISTER:
WARMEST CONGRATUALTIONS ON YOUR IMPRESSIVE ELECTION VICTORY. I MUCH ENJOYED OUR BRIEF MEETING IN BERMUDA LAST MONTH, AND LOOK FORWARD TO CONTINUING TO WORK WITH YOU TO SUSTAIN THE CLOSE AND FRIENDLY RELATIONS BETWEEN OUR TWO GOVERNMNENTS

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PS/MR EGGAR
PS/PUS
SIR W. HARDING
MR DAVID THOMAS

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PS/NO 10 DOWNING ST.

DCO

(copy newfaxed to No10 for onward transmission 1/11)

(1)

Foreign and Commonwealth Office

London SW1A 2AH

1 November 1985

Prime Minister
Agree message?
CDP
1/XI

Yes

Dear Charles,

Bermuda: General Election

As expected, Mr Swan's United Bermuda Party have been returned to power with an increased majority at the general election held on 29 October.

The Prime Minister might wish to send Premier Swan a congratulatory message. I enclose a draft.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

C D Powell Esq
10 Downing Street

OUT TELEGRAM

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YOUR TELNO 88: BERMUDA GENERAL ELECTION
1. Please pass following message to Premier Swan from the Prime Minister:
BEGINS: Warmest congratulations on your impressive election victory. I much enjoyed our brief meeting in Bermuda last month, and look forward to continuing to work with you to sustain the close and friendly relations between our two Governments. ENDS.

HOWE

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PS/LADY YOUNG
PS/MR EGGAR
SIR W HARDING
/// MR DAVID THOMAS
// WIAD
/ NEWS DEPT
PS/NO 10

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OUT TELEGRAM

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12 Prime Minister:
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14 victory. I much enjoyed our brief meeting in Bermuda last month,
15 and look forward to continuing to work with you to sustain the
16 close and friendly relations between our two Governments. ENDS.
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29 PS/NO 10

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For COD use only	Comcen reference	Telegram number	Processed by

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PC
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Foreign and Commonwealth Office

London SW1A 2AH

10 October 1985

Dear Charles,

Prime Minister's Meeting with Premier Swan of Bermunda on 16 ~~November~~ OCTOBER 1985 at Bermuda Airport

I enclose a brief for the Prime Minister's meeting with Premier Swan of Bermuda on 16 ~~November~~ OCTOBER.

The Prime Minister last met Mr Swan in November 1984 when he called at Number 10. He called briefly on Lady Young in June 1985 during a private visit to London.

The Acting Governor dissolved Parliament in Bermuda on 9 October and a general election will be held on 29 October. We believe that Premier Swan will be returned with an increased majority.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

C D Powell Esq
10 Downing Street.

PRIME MINISTER'S MEETING WITH PREMIER SWAN OF BERMUDA:
16 OCTOBER 1985 AT BERMUDA AIRPORT

Our Objectives

To seek the Premier's views on:

a) the internal political situation in the territory;

b) measures contemplated by Bermuda Government to tackle local drugs problem;

c) the possibility of US tax concessions for American companies holding conventions in Bermuda.

His Objectives

a) to reaffirm his interest in CHOGM and express his views on issues likely to be discussed;

b) to express the Bermuda Government's concern at events in South Africa and seek reassurance as to HMG's future policy;

c) to seek Prime Minister's support for a meeting in Bermuda between Sir Geoffrey Howe and Mr Shultz.

Your Response

a) value his views. Sorry he will not be taking part;

b) the arguments will be well-known to the Prime Minister;

c) grateful for offer: this is being considered by Sir Geoffrey Howe in conjunction with Mr Shultz.

Press Line

1. Prime Minister welcomed the opportunity afforded by her brief visit to Bermuda to have a useful exchange of views on a wide range of issues. They last met in London in November 1984.

/2.

2. Prime Minister reaffirmed HMG's commitment to combatting drug abuse in the UK and the Dependent Territories. She was interested to hear of measures contemplated by the Bermuda Government to tackle the local drug problem.

3. PM asked about latest developments in connection with possibility of US tax concessions for American companies holding conventions in Bermuda.

[Unattributably: Prime Minister said that HMG would welcome such a move and understood that the US Administration was sympathetic, but Congressional approval was not assured.]

Defensive

4. The Premier expressed the Bermuda Government's concern at recent events in South Africa- the Prime Minister assured him that HMG fully shared those concerns and reaffirmed our policy towards that country.

Background

1. Prime Minister last met Premier in London in November 1984. Mr Swan has not subsequently pursued the idea of a mutual assistance treaty with the US.

2. Acting Governor has reported Premier's intention to call election for 29 October. His United Bermuda Party (UBP) enjoys substantial majority. Election need not be held until January 1988.

3. Bermuda Government reportedly contemplating stern anti-drugs measures, eg confiscation of assets, harsher prison sentences, tightening exchange controls.

/4.

4. Bermuda seeks US tax concessions for American conventions held on the island. In return US seeks disclosure of information on US companies or individuals in connection with criminal, including narcotics, activities. Bermuda/US discussing directly, keeping UK informed. Understand US Administration support but Congressional approval not assured.

5. Premier issued statement on South Africa on 3 October (Hamilton telno 83, copy attached). Feels strongly about this issue. Supported by majority of black community. Although fully aware of HMG's policy and of UK's responsibility for Bermuda's external affairs, he sees this initiative as vote winner. Means of implementation apparently not thought through. Bermuda Government's ability to ban imports limited to certain items ie fruit, flowers, eggs, vegetables, dairy produce. Otherwise legislation requiring Governor's assent. This could be withheld in the case of the proposed anti-South African measures under Item 35(2) of the Constitution as they clearly fall into the area of external relations.

6. Premier first raised suggestion of a Secretary of State/ Shultz meeting in Bermuda with Mr Shultz in April and the Secretary of State later responded positively to Mr Shultz's endorsement of Mr Swan's proposal. But no definite dates have been suggested.

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TO IMMEDIATE FCO
TEL NO 83
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REFERENCE TELECON HERDMAN/BROWN

STATEMENT BY THE PREMIER, THE HON. JOHN W. SWAN ON SOUTH AFRICA

THE FOLLOWING IS THE TEXT OF A STATEMENT MADE BY THE PREMIER ON 3 OCTOBER.

QUOTE

LET ME ONCE AGAIN STATE MY GOVERNMENT'S PROFOUND OPPOSITION TO APARTHEID AND THE ABHORRENCE AND CONCERN WE FEEL OVER THE CONTINUING HUMAN SUFFERING CAUSED BY THIS SYSTEM WHICH WE STRONGLY CONDEMN.

OVER THE LAST FEW WEEKS, I HAVE MET AND CONSULTED WITH A WIDE CROSS-SECTION OF THE COMMUNITY OVER WHAT BERMUDA MIGHT DO IN ENCOURAGING REFORMS AND THE DISMANTLING OF THE SYSTEM OF APARTHEID IN SOUTH AFRICA.

AS A SMALL COUNTRY THERE IS LITTLE THAT WE CAN DO ALONE BEYOND EMPHASISING OUR DISAPPROVAL OF APARTHEID. HOWEVER, THOSE ACTIONS THAT WE TAKE TOGETHER WITH THE ACTIONS OF MANY OTHER COUNTRIES COULD SERVE TO BRING ABOUT REFORMS. AT THIS TIME GOVERNMENT THEREFORE PROPOSES TO -

(1) PROHIBIT THE IMPORTATION OF ALL COMMERCIAL GOODS FROM SOUTH AFRICA,

(2) PROHIBIT THE PURCHASE AND IMPORTATION OF THE KRUGGERRAND, AND

(3) CONTINUE ITS LONG-STANDING POLICY OF NOT INVESTING FUNDS IN SOUTH AFRICA.

UNQUOTE

2. I HAVE BEEN INFORMED THAT NO REPEAT NO LEGISLATIVE ACTION IS LIKELY TO BE INITIATED IN THE FORSEEABLE FUTURE.

HERDMAN

[COPIES SENT TO NO 10 DOWNING STREET]

SOUTHERN AFRICA

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SOUTHERN AFRICA

PERSONALITY NOTE

THE HON JOHN W SWAN, JP MP (UBP Paget East)

THE PREMIER - Elected in January 1982 as the youngest Premier at age 46. He was born in Bermuda and is married with two daughters and one son. He was educated in Bermuda and at West Virginia Wesleyan College in the US. Mr Swan began his career as a real estate salesman and established his own business - John W Swan Limited - which has become one of the leading real estate institutions in the island. He was first elected to Parliament in 1972 and has been a Cabinet Minister since 1976. Before his appointment as Premier, he held portfolios of Marine and Air Services and Home Affairs.

CONFIDENTIAL

STAFF AT BERMUDA

Viscount Dunrossil CMG (John)	(Senior Grade) Governor and Commander-in-Chief Born 22.5.26 Married (Diana) With two children and four children from his previous marriage Arrived July 1983

Lord Dunrossil's curriculum vitae is attached. Earlier this year he asked to stay in Bermuda after his 60th birthday in 1986. The Government of Bermuda supported this request. A one-year extension until July 1987 has now been approved.

J M A Herdman (John)	(DS5) Deputy Governor Born 26.4.32 Married (Elizabeth) with three children Arrived February 1983
C G Suter (Colin)	(DS10) Registrar Born 26.7.60 Married (Pamela) Arrived December 1984

VISCOUNT JOHN (WILLIAM) DUNROSSIL CMG

Born :	22 May 1926
Educated :	Fettes College and Oriel College, Oxford (1948-51)
At present :	Governor of Bermuda
Career :	
1945-48	RAF
1951	CRO (Food & Dev Dept, later Overseas Finance Dept) - Assistant Principal
1952	CRO (Assistant Private Secretary to Secretary of State)
1954	Canberra (Second Secretary)
1956	CRO (PSO's Dept) - Principal
1958	Dacca (First Secretary)
1961	Cape Town (seconded to Foreign Service)
1964	Foreign Office (W & C African Dept and later Personnel Dept)
1965	Foreign Office (Assistant Head of General Dept)
1968	Special leave attached to the Inter-Governmental Maritime Consultative Organisation as External Relations Officer
1970	Ottawa (Counsellor & Head of Chancery)
1974	Brussels Embassy (Counsellor)
1978-82	Suva (High Commissioner) and non-resident both to Nauru and Tuvalu
1982-83	Bridgetown (High Commissioner)
Married :	(1) 1951 - Mavis Spencer-Payne (Divorced 1969) (2) 1969 - Diana Mary Cunliffe Vise
Children :	(1) One daughter (1952) and three sons (1953, 1956 and 1962) (2) Two daughters (1971 and 1972)

BACKGROUND BRIEF ON BERMUDA

Constitutional status

1. Bermuda, a British dependency under the Crown, has a population of about 55,000 (some two-thirds of whom are black). The dependency has largely governed its internal affairs since 1968. The Governor remains responsible for defence, external affairs, internal security and the police. A ministerial system of government has existed since 1973. The legislature consists of a 40-seat House of Assembly and a Senate of 11 appointed members.

Internal politics

2. There are three political parties in Bermuda, the United Bermuda Party (UBP), the Progressive labour Party (PLP) and the recently formed National Liberal Party (NLP). Few policy differences are apparent: all are relatively conservative.

3. The UBP has held power continuously since 1968, when the Party system was introduced. At the last General Election in February 1983, the UBP led by Mr Swan obtained 26 seats in the House of Assembly, and the PLP, led by Mrs Lois Browne-Evans, 14 seats, with respectively 57% and 43% of the poll.

4. The continuing failure of the PLP to gain power has led to a revolt within the Party against Mrs Browne-Evans' leadership. Four right-wing members of the PLP in the Assembly were suspended and in August launched the National Liberal Party (NLP) under the leadership of Mr Gilbert Darrell.

5. The Premier is believed to have decided to call an election two years early in order to introduce new blood into his Cabinet. The disarray among the Opposition parties seems likely to result in his increasing his already substantial majority in the House of Assembly.

Independence

6. There is at present no evidence of widespread enthusiasm for independence in any party. It was not an election issue in 1983. Premier Swan's initial enthusiasm for independence is possibly waning now that he realises what is involved. However he probably retains the personal ambition of leading Bermuda to independence but has had to accept that his Cabinet and party caucus do not yet want it. He is apparently willing to shelve the issue and it lies dormant at present.

Defence

7. Bermuda is important strategically for NATO in general and for the US in particular who have some 1500 military and civilian personnel at various defence facilities on the island. The Canadians have around 60 military personnel operating a small communications station. The UK lease a small Naval Base and maintain 15 personnel (13 RN and 2 DOE).

8. There is no evidence to suggest that these facilities would not continue to be available after independence. The basis would need to be worked out in detail and the best solution may well be a UK/US/Canada/Bermuda Agreement on access to the facilities. But there is no point in discussing this with the Bermudians until the possibility of independence is much more of a reality.

Contingency Planning

9. There are 6 UK contingency plans for the Caribbean region which involve the use of Bermuda as a staging post.

Internal Security: The Bermuda Regiment

10. The part-time Bermuda Regiment (with one seconded British Army Officer and four seconded British NCOs) has a total strength of 650. 200 young men and women are called up annually for 3 years' part-time service. The Regiment has already shown that it should be able, in conjunction with the police, to deal with most security

problems arising on the island.

The Economy

11. Per capita annual income is some $19,000, one of the highest in the world, and there is virtually no unemployment.

12. Tourism is Bermuda's major industry, and the economy is geared to it. There was serious concern about last year's tourist statistics which showed declines of 8.26% on cruise passengers and 6.71% on other visitors against 1983 figures. Total visitors for the period up to the second quarter of 1985, however, are up 5.0%. The strength of the US dollar, to which the Bermuda dollar is tied, is a major influence on the industry.

13. International business activity, attracted by the absence of income tax and corporation tax, is increasing and is a major contributor to the territory's prosperity. There is a possible threat to Bermuda's role as a tax haven, arising from an amendment to the US convention tax law introduced under the Caribbean Basin Initiative. Its impact may be less than feared but the Bermuda Government has, with UK Government blessing, been pursuing the matter with the US authorities.

RESTRICTED

Mr. O'Brien Bucks 23/11.
Mr. Coles.
Dr Ewl 23/11 WIAD 16/11
PS
PS/Lady Young
PS/Mr Ricketts
Sir W Harding
Mr David Thomas

10 DOWNING STREET

From the Private Secretary

14 November 1984

PRIME MINISTER'S MEETING WITH PREMIER SWAN OF BERMUDA ON 14 NOVEMBER

The Prime Minister saw Premier Swan of Bermuda this afternoon for a courtesy call. The conversation was mostly general. However, Premier Swan raised one substantive point and that was to suggest that it might become appropriate for Bermuda to seek some sort of mutual assistance treaty with the United States. As I understood the idea, it was to incorporate in treaty framework the advantages which the United States enjoyed in Bermuda and at the same time to prevent some of the harassment which Premier Swan believed Bermuda suffered at the hands of the United States Internal Revenue Service, the treatment of Bermudians travelling to the United States and so on. He did not develop the idea, but did subsequently say that it was speculative and he would not wish to bring Bermuda to independence under the wrong sort of conditions.

C.D. POWELL

P.F. Ricketts, Esq.,
Foreign and Commonwealth Office.

RESTRICTED

RECORD OF A CONVERSATION BETWEEN LADY YOUNG AND PREMIER SWAN OF BERMUDA AT 10.30 AM ON 27 JUNE 1985 IN THE FOREIGN AND COMMONWEALTH OFFICE

Present:

The Rt Hon the Baroness Young
Mr D C Brown, WIAD
Mr G D Cole, WIAD
Miss C A F Brown

The Hon J W D Swan

1. Welcoming Premier Swan Lady Young recalled their last meeting in the sad circumstances of the funeral of the late Prime Minister of Barbados, Mr Tom Adams. This lead to a general discussion of the Caribbean. Premier Swan thought that the area should concentrate on developing tourism. It should recognise that its technology in manufacturing etc could soon be overtaken.

2. Lady Young agreed that the Caribbean might develop tourism more. Agricultural improvements and the reduction of essential food imports could help too. Attitudes would have to change: there was a tendency for farmers to be looked down upon. Premier Swan agreed. Bermuda had had a similar problem. It had taken some 10 years for Bermudians to cease to regard work in the tourism industry as a form of servitude rather than a professional career. But a great cross-section of Bermuda society was now participating in the industry.

3. The Premier said that he appreciated our encouragement and persuasion with the US on the Convention Tax issue. Although progress was good there were still hurdles to be overcome. The US Administration supported Bermuda's wish to be included with Canada and Mexico in exemption from tax. Senator Packwood, the Chairman of the Foreign Relations Committee, was in favour and had said that he hoped to persuade his Committee. But the House Ways and Means Committee, had been harder to persuade. The concession would make a great difference to Bermuda, Premier Swan said. It would bring the large convention business to the Island and thus visitors who, their own expenses being met by their companies, were likely to spend personal money much more freely. Not being independent, however, the Premier said, meant that Bermuda had little leverage with the US. The lease of the US base had many years to run so this was of little value.

4. There was a brief discussion of the situation in the Turks and Caicos Islands in which Premier Swan agreed that the law must take its course regardless of who was involved. Lady Young said that drugs were becoming a major social problem in the UK, this was taken very seriously by the Government and every effort was being made to improve the situation. Premier Swan said that Bermuda was

considering quite Draconian measures. He thought that one way to deal with the problem was to cut off the money supply of those involved in trafficking. Bermuda was looking at ways of garnering the assets of convicted offenders and their families so that on leaving jail they would have nothing. The risk of this would substantially reduce the attraction of trafficking. Bermuda was also considering the imposition of life imprisonment for drug trafficking offences, and was already operating a policy of no parole: a five year sentence for drugs offences meant that five years would be served. Premier Swan added that, since it was the US Dollar that lubricated the flow of drugs he was also looking at the possibility of tightening up on exchange control, although this would affect tourism. But if the drug problem continued to grow, tourists would be put off by the increasing likelihood of theft by people desperate for money to buy drugs. It was better to have no drugs problem and a small tourist industry than a continuing problem and no tourist industry.

5. The Premier said that Bermuda already co-operated closely with the US over drugs investigations and was considering legislation to provide for banking information to be released to the US by the Attorney-General through the Ministry of Finance in connection with criminal investigations. It was hoped that concessions on Convention Tax would be offered in return. He hoped for action this year as next year's Congressional elections were otherwise likely to impede progress.

6. Premier Swan asked when Lady Young would next visit Bermuda. Lady Young made no commitment but said that she would certainly welcome an early opportunity to do so.

7. The meeting ended at 11.05 am.

Distribution
PS/Lady Young
Governor, Bermuda
WIAD

10 DOWNING STREET

From the Private Secretary

25 January 1985

BERMUDA: MUTUAL ASSISTANCE TREATY WITH US

I enclose a copy of a further letter from Premier Swan. I do not think any further reply is required.

CHARLES POWELL

Peter Ricketts, Esq.,
Foreign and Commonwealth Office.

SUBJECT

CC MASTER
OPS.

CC/PC

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 8AA/85

Premier

The Cabinet Office
Hamilton 5-24, Bermuda
17th January, 1985.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

My Dear Prime Minister,

Thank you very much for your letter of the 24th December, 1984.

I have arranged for the whole matter of a possible mutual assistance treaty with the U.S. Government to be set down in writing so that the potential advantages to Bermuda can be formally requested by your Government. Your interest in our aspirations in the matter is very much appreciated.

I am sorry that you are unable to plan an early visit to Bermuda and sincerely hope that you will be able to take a little time from your enormously busy schedule to visit us and experience the warmth of our people and the beauty of these Islands.

Last year British Airways flew a successful experimental flight of the Concorde to Bermuda. Perhaps they will be persuaded to bring you here at great speed to enable you to spend just a few days with us.

Warm Regards,

Yours sincerely,

John Swan

Bermuda; Mr Swan's Visit: May 82

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10 DOWNING STREET

THE PRIME MINISTER

24 December, 1984.

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 211 C/84

My dear Premier,

Thank you for your letter of 4 December. It was a great pleasure to see you again during your recent visit to London.

I do indeed recall that you raised the question of a possible mutual assistance treaty with the US Government during our meeting on 14 November but without developing the idea any further on that occasion. I note that you are now formally requesting our support for the negotiation of such a treaty.

I shall certainly give most careful consideration to your request. But it would be helpful if your Government could spell out in greater detail your aims and objectives in seeking to conclude such an agreement.

I would certainly like to take up your invitation to visit Bermuda, but regret that I cannot see any early prospect of doing so – but I have not forgotten my promise.

Warm regards

Yours sincerely

Margaret Thatcher

The Honourable J.W. Swan, JP, MP.

JC

CBC

Foreign and Commonwealth Office

London SW1A 2AH

21 December 1984

Dear Charles,

Bermuda

As requested in your letter of 14 December I enclose for the Prime Minister's signature a self-explanatory draft reply to the Premier of Bermuda's letter of 4 December. This requested HMG to look favourably on Bermuda's entering into a Treaty of Mutual Assistance with the US Government covering tax matters and related subjects.

As you know, this was a possibility raised by Mr Swan during his meeting with the Prime Minister on 14 November, although he did not develop the idea further on that occasion.

In fact we have long been aware of Mr Swan's concern at the possible effects on Bermuda's role as a tax haven of American claims to extra-territorial jurisdiction. These claims have not only led to disputes with the UK but with our dependent territories, particularly in the Caribbean. We are at present engaged with other Whitehall departments and the Bank of England in an exercise to determine how best to manage this problem in the interests of all concerned.

In this connexion the recent Cayman Narcotic Agreement between the US, UK and Cayman Islands Governments, to which Mr Swan refers in his letter, provides the US authorities with access to documentary information in the Cayman Islands relating to offences connected with the traffic in narcotics. The Agreement also states that if it is working satisfactorily then negotiation of a Cayman Islands Law Enforcement Treaty (LET) concerning criminal matters should begin by 29 May 1985. This will inevitably deal with fiscal crime, including tax evasion, and a principal US objective will be to widen their ability to pursue tax evaders.

We have already made public our intention to recommend that agreements similar to the Cayman Narcotic Agreement should be entered into by the remaining UK dependencies in the Caribbean. Thereafter it would seem logical for them to proceed to the conclusion of LETs; Mr Swan's suggested Treaty

/of Mutual

of Mutual Assistance may prove to be a step in this direction, and therefore a move which we would wish to encourage. We recognise however that the interests and requirements of our individual dependent territories vary from one case to another. In the case of Bermuda, from earlier conversations with Mr Swan we think he may be considering a linkage with the advantages which the United States enjoy over military facilities. This has wider ramifications, and at this stage it is important to obtain further details of what Mr Swan has in mind before we express any definite opinion.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

DSR 11 (Revised)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM:
The Prime Minister

ABC.

DEPARTMENT: **TEL. NO:**

Reference

SECURITY CLASSIFICATION

Top Secret
Secret
Confidential
Restricted
Unclassified

PRIVACY MARKING

.....In Confidence

CAVEAT.....

TO:

The Hon J W Swan JP MP
Premier
The Cabinet Office
Hamilton
Bermuda

Your Reference

Copies to:

SUBJECT:

Thank you for your letter of 4 December. It was a great pleasure to see you again during your recent visit to London.

I do indeed recall that you raised the question of a possible mutual assistance treaty with the US Government during our meeting on 14 November but without developing the idea any further on that occasion. I note that you are now formally requesting our support for the negotiation of such a treaty.

I shall certainly give most careful consideration to your request. ~~You may rest assured that we will give careful consideration to your request.~~ But it would be helpful ~~in the first instance~~ if your Government could spell out in greater detail your aims and objectives in seeking to conclude such an agreement.

I would certainly like to take up your invitation to visit Bermuda, but regret that I cannot see any early prospect of doing so. ~~This may be possible on my way to or from Washington next February, if that timing also suited you, but I would prefer to delay confirmation of this until nearer the time.~~

Enclosures—flag(s).....

CDR

Relations: Bermuda May 8 R.

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10 DOWNING STREET

From the Private Secretary

14 December 1984

MESSAGE FROM THE PREMIER OF BERMUDA

I enclose a copy of a letter to the Prime Minister from Premier Swan of Bermuda, in which he makes a formal request for HMG to look favourably on Bermuda entering a Treaty of Mutual Assistance with the US Government.

I should be grateful for a draft reply. You may consider that an interim reply is required in the first place.

As regards a possible visit, it is not to be excluded, that the Prime Minister would wish to stop briefly in Bermuda on her way to or from Washington in February.

(C.D. Powell)

C.R. Budd, Esq.,
Foreign and Commonwealth Office.

cc Master
ops.

cc PC

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T205A/84

Premier

The Cabinet Office
Hamilton 5-24, Bermuda
4th December, 1984.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

My Dear Prime Minister,

Thank you for taking time out of your busy schedule to meet with me once again. For me, these meetings are very inspirational and informative. Your strength of leadership and commitment to democratic ideals are greatly admired.

I particularly appreciated the opportunity to discuss with you matters of interest to Bermuda and to brief you about our continued dialogue with the U.S. Government with respect to tax matters. During our discussion I asked you whether your Government would consider supporting the negotiation of a Treaty of mutual assistance between the U.S. Government and ourselves which would include such matters as convention tax and the potential difficulty arising out of the Cayman Agreement insofar as confidentiality is concerned. I believe that it is imperative to get some formal arrangement between the U.S. Government and Bermuda as we cannot continue to leave our economic destiny so clearly undefined with the Americans.

I would, therefore, like to make a formal request that Her Majesty's Government look favourably on Bermuda entering into a Treaty of mutual assistance with the U.S. Government. If Her Majesty's Government have no objection to us entering into such an arrangement, we would obviously prepare an appropriate brief for the Foreign and Commonwealth Office in a form acceptable to the British Government.

.....2

I would again like to extend an invitation for you to visit Bermuda the next time you plan to be on this side of the Atlantic. I would be grateful to learn if this is at all possible and, if so, the likely date.

Kindest Personal Regards

Yours sincerely

John Swan

VISIT OF PREMIER SWAN OF BERMUDA, 7-15 NOVEMBER

BACKGROUND BRIEF ON BERMUDA

Constitutional status

1 Bermuda, a British dependency under the Crown, has a population of about 55,000 (some two-thirds of whom are black). The dependency has largely governed its internal affairs since 1968. The Governor remains responsible for defence, external affairs, internal security and the police. A ministerial system of government has existed since 1973. The legislature consists of a 40-seat House of Assembly and a Senate of 11 appointed members.

Internal politics

2 There are two political parties in Bermuda, the United Bermuda Party (UBP) and the Progressive Labour Party (PLP). Little policy difference is apparent: both are relatively conservative.

3 The UBP has held power continuously since 1968, when the Party system was introduced. At the last General Election in February 1983, the UBP led by Mr Swan,

obtained 26 seats in the House of Assembly, and the PLP, led by Mrs Lois Browne-Evans, 14 seats, with respectively 57% and 43% of the poll.

4 The failure of the PLP to gain power has led to a revolt within the Party against Mrs Browne-Evans' leadership, and four right-wing members of the PLP in the Assembly have been suspended. The Party is considering how to deal with the rebels.

5 The Premier is thought unlikely to capitalise on the Opposition's difficulties by calling a General Election. He recognises the long-term implications of a more left-leaning PLP.

Independence

6 There is at present no evidence of widespread enthusiasm for independence in either party. It was not an election issue in 1983. Premier Swan however retains the personal ambition of leading Bermuda to independence, but has had to accept that his Cabinet and party caucus do not yet want it. He is apparently willing to shelve the issue and it lies dormant at present. Judging by Press reaction in Bermuda, Mr Simon Winchester's recent

Sunday Times magazine article seems unlikely to stir up the matter.

Defence

7 Bermuda is important strategically for NATO in general and for the US in particular who have some 1500 military and civilian personnel at various defence facilities on the island. The Canadians have around 60 military personnel operating a small communications station. The UK lease a small Naval Base and maintain 15 personnel (13 RN and 2 DOE).

8 There is no evidence to suggest that these facilities would not continue to be available after independence. The basis would need to be worked out in detail and the best solution may well be a UK/US/Canada/Bermuda Agreement on access to the facilities. But there is no point in discussing this with the Bermudians until independence is much more of a reality. FCO and MOD Officials are however, working on a paper on this matter which will be submitted to Ministers in due course.

Contingency Planning

9 There are six UK contingency plans for the Caribbean region which involve the use of Bermuda as a staging post.

Internal Security: The Bermuda Regiment

10 The part-time Bermuda Regiment (with one seconded British Army officer and four seconded British NCOs) has a total strength of 650. 200 young men and women are called up annually for 3 years' part-time service. The Regiment has already shown that it should be able, in conjunction with the police, to deal with most security problems arising on the island.

The Economy

11 Per capita annual income is some $19,000, one of the highest in the world, and there is virtually no unemployment.

12 Tourism is Bermuda's major industry, and the economy is geared to it. There is serious concern about this year's tourist statistics, which suggest a down-turn of

perhaps 25-30%. The strength of the US dollar, to which the Bermuda dollar is tied, has been a major factor. The Bermuda Government has adopted belt-tightening measures for the remainder of the year.

13 International business activity, attracted by the absence of income tax and corporation tax, is increasing and is a major contributor to the territory's prosperity. There is a possible threat to Bermuda's role as a tax haven, arising from an amendment to the US convention tax law introduced under the Caribbean Basin Initiative. Its impact may be less than feared but the Bermuda Government has, with the UK Government blessing, been pursuing the matter with the US authorities.

WEST INDIAN AND ATLANTIC DEPARTMENT
9 November 1984

PERSONALITY NOTE

The Hon. John W Swan, JP, MP (UBP Paget East)

THE PREMIER - Elected in January 1982 as the youngest Premier at age 46. He was born in Bermuda and is married with two daughters and one son. He was educated in Bermuda and at West Virginia Wesleyan College in the USA. Mr Swan began his career as a real estate salesman and established his own business - John W Swan Limited which has become one of the leading real estate institutions in the island. He was first elected to Parliament in 1972 and has been a Cabinet Minister since 1976. Before his appointment as Premier, he held portfolios of Marine and Air Services and Home Affairs.

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10 DOWNING STREET

From the Private Secretary

14 November 1984

PRIME MINISTER'S MEETING WITH PREMIER SWAN OF BERMUDA ON 14 NOVEMBER

The Prime Minister saw Premier Swan of Bermuda this afternoon for a courtesy call. The conversation was mostly general. However, Premier Swan raised one substantive point and that was to suggest that it might become appropriate for Bermuda to seek some sort of mutual assistance treaty with the United States. As I understood the idea, it was to incorporate in treaty framework the advantages which the United States enjoyed in Bermuda and at the same time to prevent some of the harassment which Premier Swan believed Bermuda suffered at the hands of the United States Internal Revenue Service, the treatment of Bermudians travelling to the United States and so on. He did not develop the idea, but did subsequently say that it was speculative and he would not wish to bring Bermuda to independence under the wrong sort of conditions.

C.D. POWELL

P.F. Ricketts, Esq.,
Foreign and Commonwealth Office.

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PRIME MINISTER

MEETING WITH PREMIER SWAN OF BERMUDA, 14 NOVEMBER

He wrote to invite you to dinner but it was impossible for you. The call is a consolation prize.

You last saw him in February and spoke to him via a new satellite in April.

He has subsequently sent you a report on "Quality of Life and Prospects for Change in Bermuda".

He is coming alone.

Briefs and card attached.

CDP

12 November 1984

VISIT OF MR JOHN SWAN, PREMIER OF BERMUDA, 7-15 NOVEMBER 1984: CALL ON THE PRIME MINISTER 4.00 pm 14 NOVEMBER

POINTS TO MAKE

1 Recall with pleasure last meeting in February 1984, and speaking via the new satellite in April 1984.

375th Anniversary of settlement of Bermuda

2 Understand HRH Princess Margaret's recent visit (23-27 October) was most successful, as were all celebrations this year. Marred only by tragic accident in Tall Ships race.

Quality of Life in Bermuda

3 Thanks again for sending copy of recent survey on the "Quality of Life and Prospects for Change in Bermuda". It is an achievement to have over three-quarters of Bermudians prepared to say they are satisfied with their quality of life, and equally large proportions satisfied with their jobs, working conditions and prospects for advancement.

"Whose Colony" - Simon Winchester article (if raised)

4 As the Governor has told the Premier, the UK Government has not thought it necessary to respond to the allegations in the Sunday Times magazine article by Mr Simon Winchester.

5 UK Government fully recognises its responsibility for defence of Bermuda. US presence on Bermuda remains important to NATO of course.

6 Our policy remains that it is for Bermuda to decide whether and when to move to independence. No truth, as far as UK Government concerned, in allegation that discussion about independence being deliberately subdued.

"Market Link" (if raised)

7 Mercury Communications PLC free to participate in such international arrangements as it judges appropriate, subject to relevant conditions of its licence.

8 Decisions relating to Market Link are for commercial judgement. Not appropriate for UK Government to intercede with the Federal Communications Commission.

Grenada (if raised)

9 UK Government continues to support the Grenadian Interim Administration in its tasks of returning country to democratic government and restoring the economy.

10 Outcome of general election on 3 December impossible to predict, but most observers feel that the New National Party will win a majority if it can hold together. We are prepared to deal with whatever democratically-elected Government is returned.

11 Trials of those accused of murdering Maurice Bishop and others is a matter for Grenadian authorities.

WEST INDIAN AND ATLANTIC DEPARTMENT

9 November 1984

ESSENTIAL FACTS

Previous meetings with Premier Swan

1 The Prime Minister met Premier Swan in June 1982, shortly after his taking office, and again in February
A 1984. A record of the latter meeting is attached. The Prime Minister and Premier Swan also spoke via the new Satellite in April 1984 when inaugurating the new Cable & Wireless Earth Station in Bermuda.

375th Anniversary of the settlement of Bermuda

2 Bermuda is by far the oldest UK Colony. HRH Princess Margaret visited on 23-27 October 1984 to take part in 375th anniversary celebrations. During the course of this visit HRH opened the Bermuda Parliament with the Speech from the Throne. HRH was also appointed Colonel-in-Chief of the Bermuda Regiment, a part-time force primarily intended to assist the police in internal security matters.

3 This year's anniversary celebrations were marred by the loss of 19 lives (3 British, 10 American, 5 Antiguans

and 1 Guyanese) when one of the Tall Ships, the "Marques", sank in the race near Bermuda in June.

'The Quality of Life in Bermuda'

B 4 Premier Swan sent the Prime Minister a copy of a recent survey on "the Quality of Life and Prospects for Change in Bermuda". Professor Ted Robert Gurr of Northwestern University, Illinois, was commissioned to carry out the survey by the Bermuda Government and reported in September 1984. The Survey examined patterns of Bermudian life, personal and public concerns, public issues, race relations and Government and political participation. Professor Gurr concluded "there is little base for pessimism in this Report, most Bermudians have a positive outlook on their lives and their country and a clear sense of the kind of issues that require public attention".

"Whose Colony"

C 5 The Sunday Times magazine of 21 October published an article by Mr Simon Winchester entitled "Whose Colony". The article alleges that Bermuda, as one of our "imperial possessions" is being used to protect American "imperial

possessions"; that the UK Government is unaware of and unconcerned about US military operations from the islands; that Bermuda (and other remaining dependent territories) is a nuisance to the UK, offering no advantages and getting in the way of "serious global politics"; and that discussion of independence has been deliberately subdued.

6 The general Bermudian reaction has been one of disbelief. The Leader of the Opposition in Bermuda, Mrs Lois Browne-Evans, reportedly regards the article as nonsense and will not try to make political capital out of it. Nevertheless, the Premier was sufficiently concerned to raise the matter with the Governor, and the US Government.

7 Viscount Dunrossil's response to the Premier indicated that the article is sufficiently ill-informed to be unworthy of serious comment. The US Assistant Secretary of State was similarly dismissive.

"Market Link"

8 Dr John Stubbs, the Bermuda Minister of Industry and Technology, has written to the Secretary of State for Trade and Industry objecting to "Market Link" a proposal

for a trans-Atlantic fibre-optic cable. His objection is on the grounds that Market Link would be unfair competition and against Bermuda's commercial interests. Dr Stubbs requests that the Secretary of State should intercede with the US Federal Communications Commission (FCC) "to see that approval for landing licences are not granted without the fullest possible national and international analysis and debate".

9 It is understood that Dr Stubbs has not yet formally raised the matter with Premier Swan or the Bermuda Cabinet. Senior Cable & Wireless staff will be meeting Premier Swan during his visit, and intend to raise the subject with him.

10 The UK end of the transatlantic cable system will be operated by Mercury Communications Ltd, which is now a wholly-owned subsidiary of Cable and Wireless plc. Mercury is permitted under its licence to operate the full range of international telecommunications services to any overseas destination, including the operation of international submarine cable. Mercury, like British Telecom, is thus free to participate in such international arrangements as it judges commercially appropriate, subject to any relevant conditions in its

licence.

11 The UK Government still retains a significant shareholding in Cable and Wireless. We have made a public commitment to other shareholders to refrain from interfering in the normal commercial decisions of the company. In these circumstances, it would not be appropriate to intercede with the FCC as requested. We would not, in any case, normally expect to intervene in the United states regulatory processes.

12 Dr Stubbs also requested that the Secretary of State for Trade & Industry attend a seminar in Bermuda on 28 November to discuss Bermuda's cable interests. We propose to suggest that the Bermuda Deputy Governor, a FCO appointment, should attend.

CHOGM

13 On his last visit, Premier Swan requested that he be able to attend CHOGM as an observer. He followed this up
G with a letter on 7 March 1984. We were unable to agree to this request. By long standing convention, attendance is limited to the Heads of Government of independent sovereign states. The Prime Minister so

H informed him on 3 April. Premier Swan accepted this in
J his letter of 16 April.

Grenada

14 A General Election has been called for 3 December. There is no ban on any party participating. Three middle-of-the road parties, the Grenada National Party, the National Democratic party and the Grenada Democratic Party have united to fight the election as the New National Party (NNP). Former Prime Minister Sir Eric Gairy leads the Grenada United Labour Party (GULP) but is not personally standing as a candidate. Two former PRG Ministers may contest the election under the banner of the Maurice Bishop Patriotic Movement. The main election contest is likely to be between GULP and the NNP. Provided the NNP can hold together it seems likely that it will win a majority of seats and form the next government.

15 The trials of those accused of murdering former Prime Minister Maurice Bishop and others is a matter for the Grenadian authorities. Of the 40 detainees held following the intervention all have been charged or released. The trials of the 19 now held on murder and other charges began on 9 October, but were adjourned until 1 November and further adjourned to 22 November

while Chief Justice Nedd considers the constitutionality of the court. He will give his ruling on 14 November.

WEST INDIAN AND ATLANTIC DEPARTMENT

9 November 1984

CDP

Foreign and Commonwealth Office

London SW1A 2AH

9 November 1984

Dear Charles,

Call by Premier Swan of Bermuda: 14 November

As you know, Mr John Swan, Premier of Bermuda, is calling on the Prime Minister at 1600 on 14 November. I enclose a brief and personality notes on Mr Swan.

We understand that Mr Swan will come alone to No 10.

I am copying this letter (without enclosures) to Richard Hatfield at the Cabinet Office.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

C D Powell Esq
10 Downing Street

01-247 5513 >
SUNDAY TIMES

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21 OCT 1984
DATE

WHOSE COLONY?

BY SIMON WINCHESTER: PHOTOGRAPHS BY FRANK FOURNIER

This week HRH Princess Margaret is attending the celebrations in Bermuda (they begin today) of 375 years of belonging to Britain. It is almost that long since anyone (Shakespeare, actually) referred to this cluster of islands as 'the still-vex'd Bermudas', so placid has the history of our mid-Atlantic colony been. Things change: in practice Bermuda has become an American strategic fief – and the natives are restless . . .

The air traffic controllers who bring down the inbound tourist planes to Bermuda are all from the United States Navy, are all young women, and all know what the passengers want. "Okay, Delta six-five heavy," they will sing sweetly up to a jumbo droning in from Atlanta, "make a heading of one-five-oh and come down to 5000ft and show your folks where they're coming for their vacation."

And down the plane will swoop, banking to the right, taking the scenic approach to the field. All the honeymooners and tennis players and golf widows on board will peer through the starboard windows and gaze, wide-eyed, at the tropic charms below: the wide beaches of pink coral sand, the deep blue seas, the reefs, the pastel-washed bungalows, the banana trees, the bougainvillaea and oleander bushes.

But as they land, they will in all probability not see – since to do so they would have to be looking from the port windows – two aircraft, parked discreetly on concrete pads just off the strip. Which is what the Navy controllers want: keep the passengers' minds on the beaches are the unspoken orders – keep them off the planes of the VQ-4 Squadron.

These VQ-4 planes are among America's most secret. They are converted Hercules, painted white, with strange black pods on their wingtips. When parked they are surrounded night and day by armed sentries from the US Marine Corps. They take off and land – designated as "Volt" flights – according to instructions of the utmost confidentiality; they patrol for 10 hours at a stretch, wandering high over lonely Atlantic passages and landing at secret, faraway airstrips for refuelling and fresh orders.

Officially their missions do not happen. No one in Bermuda knows what they do, visitors are forbidden to approach them, pictures are sternly discouraged. Not even the island's British governor knows of the functions of the VQ-4 flights. He says he prefers not to ask, but is sure he would be told if ever he did.

Unlikely. The VQ-4 squadrons, based at Patuxent River, Maryland, and on the islands of Bermuda and Guam, have but a single function. They hold the emergency "go" codes for the missiles on board America's strategic nuclear submarines; they patrol the skies near the subs, keeping the submerged commanders in constant contact with President Reagan, the red war phones and the weapon launch keys. They are known as TACAMO flights – the acronym stands, believe it or not, for Take Charge and Move Out – and they, the survivable directors of the final world war, find it strategically convenient to use British soil for their mid-Atlantic base.

For the Bermuda Isles are unquestionably – at least notionally, legally, officially – British. True, they were discovered 400 years ago by one Juan Bermudez, a Spaniard, but Madrid had its imperial concerns directed further south in those days, and the 300 islands and wicked reefs – *Las Islas de los Diablos* – were generally ignored. It was not until 375 years ago – hence the celebrations that Princess Margaret will attend in Bermuda this week – that a routine maritime mishap prompted the permanent British settlement of the island chain.

The Sea Venture, a sturdy little British vessel belonging to the Virginia Company, was ploughing westwards during the summer of 1609 with settlers for the new colony at Jamestown: Admiral Sir George Somers, commanding a squadron of eight vessels, was on board. A storm blew up, with seas so vicious that "we spued out all our okum", and Sea Venture started to take on water. Her cannon – minions, sakers, culverins and demi-culverins – shifted to port, she began to list heavily, and Sir George Somers set course for the Islands of the Devils, faintly traced on his charts.

When he spotted the low brow of coralline limestone he headed for the breakers and, quite deliberately, stranded his ship on a reef. He, his captain, the would-be governor of Virginia and 150 settlers rowed off and camped in a pretty little bay, with good water and fertile soil. They named the place St George's, and renamed their coral home the Somers Islands – settled formally by a hurriedly created association grandly titled The Governor and Company of the City of London for the Plantation of the Somers Islands, with a capital of £2000. From that moment on, and ever since, the islands have been indubitably British.

It is perhaps the most obviously pleasant of our 16 remaining colonies. "The climate," notes an old copy of *The Colonial Office List*, "is noted for its mildness and salubrity." The Gulf Stream, which bathes Bermuda in warm waters, keeps it tropical, despite its position only 700 miles south-east of New York City. It is fertile, well supplied with water, food, flowers, birds and animals. As Andrew Marvell said in his famous poem, *Bermudas*,

What should we do but sing His praise
That led us through this watery maze
Unto an isle so long unknown
And yet far kinder than our own?

And in history it was pleasant, too: there were no wild Caribs to subdue or placate, as in our more southerly conquests (Bermuda is manifestly *not* a Caribbean island, though it *is* in the West Indies; it likes to think of itself as decidedly mid-Atlantic); there was no decadent Iberian or Creole aristocracy to act as an irritating relic from an earlier history; and it has always been a prosperous place, either trading tobacco

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and salt with the old world, or providing sailors of daring and inventiveness (the now almost universal "Bermudan" sailing rig – long a local creation) to ply to the new.

Nowadays it is the world's third or fourth richest country, in the sense that its 55,000 people earn, per capita, some $19,000 a year (compared to Britain's $8000 and Haiti's mere $260). The climate is still almost perfect (although yachtsmen at the Royal Bermuda Yacht Club bent on a couple of extra anchors the other day when Hurricane Diana wandered about a few cables offshore). The natives – usually a secondary burden to the Colonial government, after the humidity and the insects – have a reputation for restfulness, a placidity of nature more characteristic of the colonial possessions of Queen Victoria's time.

In consequence the colonial servants dispatched from London to run the place, while representing something rather less than the cutting edge of Britain's diplomatic skills, are men equipped generally with congenial natures, exquisite social graces and, in many cases, substantial private fortunes: the governorship of Bermuda, a task that is based on a 60-room mansion near Hamilton and has among its perks a handsome private yacht, is essentially something of an idyll, with no urgent duties, no impending crises and rarely anything of consequence to report to the superintending under-secretary in the Foreign Office (West Indian and Atlantic department) back home.

All of that was true, at least, until one spring day 11 years ago, when a volley of shots from behind a bush on the Government House grounds killed the then governor, Sir Richard Sharples. Since then Bermuda has been a troubled place – not least because it is becoming abundantly clear that it is America, not Britain, that really runs the place. Bermuda – and by that we mean, essentially, black Bermuda – becomes steadily more discontented with its lot as colony, a place ruled by one master and occupied by the militias of another.

Britain herself finds the continued possession of colonies irksome in the extreme. ("They are always getting us into trouble," grumbled a senior Washington diplomat. "Look at the Falklands. Look at Gibraltar. Look at Hong Kong. Look at the way Bermuda's going"). Our bureaucrats would not mind in the slightest if Bermuda became independent tomorrow: it offers not a single advantage to us, they say, and merely gets in the way of serious global politics.

But while we don't care a fig, Washington cares a great deal. American interests are well served by having a stable, democratic, Allied Bermuda six hundred miles off her shores. The White House and the Pentagon use Bermuda, as a Royal Navy resident sourly commented "as a 22-mile-long aircraft carrier" – and one she is not willing to give up.

Hence, according to the wishes of Washington, Britain must not give Bermuda up either – which is where Viscount Dunrossil, newly appointed governor, host to Princess Margaret this week and a figure likely to be highly visible (since he will be wearing his Colonial dress) in November's Lord Mayor's Parade in London, comes in.

Lord Dunrossil is the first governor ever *ordered* to go to Bermuda. The custom is for governors to be *invited* to serve, and to be appointed only after London has made sure the Bermudian government approves. But Dunrossil, previously high commissioner to Fiji and then in Barbados, was plucked from his not-too-testing task in the Caribbean and dispatched to Hamilton with orders, essentially, to sort out the mess. Bermuda was getting out of hand, Washington had told London (London having failed to recognise this): a skilled man was needed to sort it all out and put this vital colony – vital for Washington, that is – back on the rails.

As we shall see, it is by no means clear that the noble viscount is making much headway. But it should first be explained why the Americans regard Bermuda as so very important.

Geography is all. Britain had long thought of the islands as a crucially important naval station, ever since we lost our American bases in the wake of the War of Independence. The Bermudas provided a link in a chain between our interests in Nova Scotia and those in British Guiana and the Caribbean. A naval squadron was based on Ireland Island, at the eastern end of the archipelago: an Admiral, known colloquially as SNOWI – Senior Naval Officer, West Indies – flew his flag there (including one who sported the splendidly imperial name of Admiral Sir Reginald Plunkett-Ernle-Erle-Drax, before which any brigand would surely have quailed) and London's rule of the western Atlantic was assured, and unquestioned.

Today the island performs the same service, but for the United States, and NATO. Ireland Island's dockyards are now a museum, looked after by an old Newfoundlander named Douglas Little, who looks like Long John Silver but actually lost his leg when a wagon-wheel rolled over it near Gander, when he was three. There is a tiny Royal Naval shore station, HMS Malabar, which fuels and victuals passing warships: 50 have come in so far this year, including the NATO Atlantic "flying squad" and any number of atomic patrol submarines. Captain Terry Woods, the commander, says his duties are more concerned with NATO than with Britain these days.

"We used to be quite obscure, but lately we have come to be regarded as tremendously important. Island bases are very much in vogue these days. The Royal Navy's function is to service our own and NATO's interests in the western mid-Atlantic, much as the Azores do in the east. We are upgrading our facilities so we can do more for nuclear submarines. And there are named personnel in Europe who are designated to fly here at an instant's notice if the balloon goes up. You can see" – he gestures around the fine old mansion used as his headquarters – "that we have much more space than I and my staff need. This place would be absolutely vital in wartime."

NATO'S naval interest (and her communications interests too; there is a big and very secret Canadian-run radio station at Daniel's Head, nearby) are immense, no doubt. But it is America's interests that are paramount – a fact which is clear to anyone who cares to look carefully at the airfield at which the civil flights all land.

Kindley Field US Naval Air Station, Bermuda, was leased to America by the British in 1941; the leases expire in 2040. Together with a Naval annexe in the west (Kindley is on the eastern tip), the United States has long leases over more than a tenth of Bermuda's land area. From behind the cyclone fencing and the security lights and the Marine guards the United States runs a military operation few Bermudians – least of all her British administrators – know about.

The principal function of the station is to keep track of the Soviet strategic submarines off the American coast. For that purpose a squadron – the Red Lancers just now – of Lockheed P-3 Orion jet-prop surveillance aircraft work out of Bermuda, flying missions at all hours, picking Russian subs out of 200ft of water as they stalk, silently and deadly, around the American coast.

There are invariably three Soviet submarines grouped off the east coast of Bermuda, patrolling at the edge of the reef where the Sea Venture was stranded three and a quarter centuries ago. The Orions, with nine of the 12-man crew hunched over banks of electronic detection equipment, home in on "the enemy", listen to their audio "signatures", monitor their progress and their activity. There was a fearful to-do last winter when a Soviet Delta class sub managed to get her screw tangled in the sonar array dropped by one of Kindley's Orions: the Americans, always keen to oblige, offered to board the sub and set her to rights – but a Russian naval support ship came dashing in from Cuba and took the sub in tow, and the Americans reluctantly withdrew.

The Orions, which can stay aloft for up to 17 hours without refuelling, fly to Iceland, the Azores, Ascension Island and Puerto Rico in the search for "the threat". "Bermuda," says Captain Don Gentry, the Kindley Field commander, "is at the very centre of it all. Absolutely vital to everything."

Captain Gentry will not talk of the other, classified functions of the base – the VQ-4 flights, the unmarked Hercules that fly in and out on missions to unstated destinations, the radio listening station, the mysterious underground facilities and weapons bunkers. "All I can say is that we hunt commie subs," he

Cont

Cont

says. "Th est I'm not at liberty to divulge."

Increasingly the Bermudian people want to know what the Americans are doing, and why the British give them such free rein. "For many years we Bermudians have lain back and let the British rule and do as they wish," says Ottiwell Simmonds, the head of the Bermuda version of the TUC, and one of the island's more vocal leaders. "But we are getting tired. We want a say in our own destiny. We want some say in what is done here on our island. But we do not control foreign trea and defence (they are in the remit of the Crown) and so everyone can do as they wish. We don't even get any rent for the base. Nothing at all. Just the suspicion that the Americans are using us as a great aircraft carrier, making us a target for attack, without our say-so at all."

Gradually, this demand for a greater say – for partial or even full independence – is growing: to this extent Viscount Dunrossil's governorship is not sorting out the mess: the mess is inevitable, and nothing he can say or do will change it. But the political evolution of the Bermudian people is taking place onl y gradually – and very late in the day. Bermuda is Britain's second most populous colony (after Hong Kong), and many dependencies with far smaller populations have demanded, and achieved, independence. The political emasculation of the Bermudian people is a feature that has intrigued students of colonialism worldwide – is it simply that the colony's great prosperity has dampened the popular ardour for political freedom? Or have there been deliberate attempts to subdue discussion of the issue?

Britain has 13 colonial possessions left in the Atlantic – five in the Caribbean, Gibraltar, St Helena, Ascension Island and Tristan in the east, the Falklands and South Georgia and the Antarctic Territory in the south. And Bermuda. We have no interest in our Caribbean possessions, as any visitor to Anguilla or Grand Turk can amply testify; we care little for St Helena or Tristan any longer, and they decay in isolation. But Ascension, Gibraltar, Bermuda, the Falklands even, are important – though not to us: to the Americans. Our imperial possessions, it can be argued, are now used to protect American imperial interests. Should this be so? Do the local people wish it to be so? Will it long continue?

In Bermuda itself, the whites, although the minority, are planning for the 400th anniversary, confident that Britain's oldest colony will long remain cradled unto Britannia's bosom fair. The British-style policemen, the Bermudian Regiment band, the right-hand drive cars and all the other features of this Disneyland of a colony ("England-land", a columnist once called it, stinging Bermudians) that so enchant American tourists – all will still be there in another quarter of a century.

Even some blacks seem to agree, if half-heartedly. "I hate to do it," said one dinner guest – a woman, a black Bermudian, an intelligent and articulate opponent of continued British rule – "but I'll be down there waving a Union Jack when Princess Margaret drives by on Wednesday. It's something instinctive. I can't explain it. I want it to go away. But while it's there I'll take part. It just feels good, I guess. But I'll feel bad the next morning."

Up at Government House they are preparing for the visit with aloof, traditionally imperial but still frantic concern. A new cleaning woman was needed, and the governor's ADC was unable to find a suitable candidate in time. "No one in Bermuda would do it," he said. "Staff here just won't live in. We tried the Azores. We tried London. Finally we're getting one from Hong Kong. A Filipino woman who works for a doctor there. A long way to go, but Princess Margaret has got to see a clean Government House, don't you think?"

Naturally. Of all the residents of Bermuda, perhaps only the P-3 pilots, and the men in the VQ-4 squadron, could profess not to care about the cleanliness of Government House next week. They will fly their missions, day and night, watching for enemy submarines, talking down to friendly submarines, keeping the American war machine oiled. For them, the British in Bermuda are the Pomp; but they, the Americans in Bermuda, are the Circumstance ●

DEAR PREMIER SWAN:

CONSUL GENERAL FRISBIE HAS FORWARDED TO ME YOUR LETTER WHICH ASKS FOR OUR REACTIONS TO ALLEGATIONS MADE BY SIMON WINCHESTER IN AN ARTICLE WHICH APPEARED IN THE LONDON SUNDAY TIMES OF OCTOBER 21.

LET ME FIRST MAKE THE GENERAL OBSERVATION THAT AS FAR AS I KNOW, MR. WINCHESTER SPOKE TO NO U.S. OFFICIALS ON THE SUBSTANCE OF HIS ARTICLE. HIS DIVINATIONS OF THE MOTIVATIONS OF U.S. POLICY ARE LITTLE MORE THAN A MIXTURE OF CONJECTURE AND FANTASY.

WINCHESTER'S STATEMENT THAT THE U.S. IS PRESSURING GREAT BRITAIN TO MAINTAIN ITS SOVEREIGNTY OVER BERMUDA IS ABSOLUTELY FALSE. THE UNITED STATES CONSIDERS THE QUESTION OF THE INDEPENDENCE OF BERMUDA TO BE AN ISSUE TO BE DETERMINED SOLELY BETWEEN THE PEOPLE OF BERMUDA AND THE UNITED KINGDOM.

I NOTE THAT CAPTAIN DONALD GENTRY, THE COMMANDER OF THE U.S. NAVAL AIR STATION, HAS ALREADY SPOKEN TO THE PRESS ON THE INACCURACIES IN WINCHESTER'S ARTICLE REGARDING THE ACTIVITIES OF THE NAVAL AIR STATION. I WOULD ONLY ADD THAT, AS IS WELL KNOWN TO THE PEOPLE OF BERMUDA, THE NAVAL FACILITIES SUPPORT A VARIETY OF MISSIONS WHICH ARE IMPORTANT TO THE DEFENSE OF ALL MEMBERS OF THE NORTH ATLANTIC TREATY ORGANIZATION, AND ESPECIALLY THE UNITED STATES. THE RELATIONSHIP MAINTAINED BY THE NAVAL AIR STATION WITH THE GOVERNMENT AND PEOPLE OF BERMUDA HAS ALWAYS BEEN A CONSTRUCTIVE ONE, AND I EXPECT THIS WILL CONTINUE TO BE THE CASE.

IN CONCLUSION, LET ME NOTE THAT MR. WINCHESTER IS CORRECT IN HIS STATEMENT THAT THE U.S. IS INTERESTED IN A STABLE AND DEMOCRATIC BERMUDA: BUT HE OVERLOOKS THE FACT THAT BERMUDA ALREADY HAS AND IN THE FUTURE WILL, I AM CONVINCED, MAINTAIN A STABLE AND DEMOCRATIC POLITICAL SYSTEM. THE U.S. NOW ENJOYS A WARM AND CLOSE RELATIONSHIP WITH BERMUDA, AND WE ARE CONFIDENT THAT SUCH A RELATIONSHIP WILL CONTINUE TO EXIST IN THE FUTURE UNDER ANY POSSIBLE CONSTITUTIONAL STATUS THAT BERMUDA MAY ENJOY.

SINCERELY,

RICHARD BURT, ASSISTANT SECRETARY OF STATE FOR EUROPEAN AND CANADIAN AFFAIRS.

END TEXT.

Premier

The Cabinet Office
Hamilton 5-24. Bermuda
7th March, 1984.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

My Dear Prime Minister,

It was a great pleasure to see you again. As usual, I was accorded a very warm and cordial reception.

As you know, Bermuda has, over the past 375 years, become a sophisticated society. We have much to contribute, and equally have much to learn. For these reasons, we look forward to close links with the member nations of the Commonwealth, not only regionally, but globally. Accordingly, I would value the opportunity to attend the Commonwealth meetings of Prime Ministers and Foreign Ministers, as an observer. I am, therefore, grateful for the undertaking you gave me to examine this matter.

My discussions with you were most fruitful, and have, I believe, led to a much better understanding of our respective positions and responsibilities.

The Secretary to the Cabinet and I were most taken by your comment that leadership offers a special opportunity for so few, and should therefore be cherished. I have reflected on this sentiment and wholeheartedly agree with you. As I continue my term in office, and bear the responsibilities of Government, I know this will provide great encouragement to uphold the ideals of democracy and freedom for mankind.

Once again, I thank you most kindly for your understand

Yours sincerely,

John W. Swan
Premier

CAB.128/11

23rd October, 1984.

His Excellency the Governor

Your Excellency,

I draw your attention to an article published in the London Sunday Times Magazine, entitled "Whose Colony"? in which the author, Simon Winchester, makes some rather startling allegations about Her Majesty's Government in its dealings with the United States with regard to Bermuda, its security and Constitutional status. My office has already sent you a copy of the said article.

While it is entirely possible that the article is pure conjecture, I would appreciate the Foreign and Commonwealth Office clarifying its position with regard to the allegations contained in the article.

Premier

From: His Excellency The Viscount Dunrossil CMG

Government House

Bermuda

26 October 1984

Dear Premier

Thank you for your letter of 23 October about the article "Whose Colony?" published in the London Sunday Times magazine.

The Foreign and Commonwealth Office, having seen the article, have not in the circumstances thought it worth issuing any detailed comment on it beyond saying that, for my appointment as Governor of Bermuda, I was not "sent" here (and certainly not at the behest of Washington) but was appointed by the normal procedures for postings in the Diplomatic Service for senior appointments.

You will have noted since you wrote that United States officials have now commented very adversely on the credibility and accuracy of the article, and that, even with the passage of less than a week since it appeared, some of its wilder and more confused innuendos have been put in their proper perspective.

Nevertheless I have arranged that the Foreign and Commonwealth Office should see your letter and have asked them for any further comments they might have.

Yours sincerely,

Dunrossil

Governor

SUBJECT

cc Master
Ops

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T170A/84

10 DOWNING STREET

THE PRIME MINISTER

8 October 1984

Dear Premier Swan,

Thank you so much for sending me, with your letter of 24 September, the Survey on the Quality of Life and Prospects for Change in Bermuda. I have not yet had time to read it in full. But at a brief glance, you must be well satisfied with the results.

I was very pleased to hear that you will be coming to London in November. It was a most kind thought to invite me to dinner and I am sorry that my other engagements then make it impossible for me to accept. But I am looking forward to seeing you here for a talk on 14 November.

Yours sincerely

Margaret Thatcher

The Honourable J.W. Swan, J.P., M.P.

6

file

(asked to return booklet with briefing).

10 DOWNING STREET

From the Private Secretary

8 October 1984

Premier Swan of Bermuda

I enclose a copy of a letter to the Prime Minister from Premier Swan of Bermuda together with her reply.

I should be grateful if some comment on the Survey of the Quality of Life in Bermuda could be included in the briefing for the Prime Minister's meeting with Mr. Swan.

Charles Powell

Peter Ricketts Esq
Foreign and Commonwealth Office.

File Kis

10 DOWNING STREET

From the Private Secretary

27 September 1984

VISIT TO LONDON BY PRIME MINISTER SWAN OF BERMUDA

Thank you for your letter of 26 September about Prime Minister Swan's visit.

BF The Prime Minister would be happy to receive him for a courtesy call at 1600 on 14 November.

CHARLES POWELL

Colin Budd, Esq.,
Foreign and Commonwealth Office.

Prime Minister
You were keen to go to his dinner but couldn't.
Agree to see him for a short courtesy call? CDP 26/9

Foreign and Commonwealth Office

London SW1A 2AH

26 September 1984

Charles
1600 to 1630 on 14 Nov.

Dear Charles,

Visit to London by Premier Swan of Bermuda

Peter Ricketts wrote to you on 18 September (copy below) asking if the Prime Minister would be able to go a dinner to be given by Premier Swan on 12 November. You replied on 21 September that she would unfortunately not be able to do so.

We wonder, given the excellent relationship which I believe was established between the Prime Minister and Premier Swan when they met at No 10 on 28 ~~November~~ FEBRUARY, whether she would be willing to receive the Premier for a short courtesy call some time during his forthcoming visit (from 8-15 November).

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

WIAD

(3)

Foreign and Commonwealth Office

London SW1A 2AH

18 September, 1984

PS.
Mr. Cole. 19/9

Dear Charles,

19/9.

Invitation to the Prime Minister to Attend a Private Dinner

Hosted by Premier Swan of Bermuda, London, 12 November

Premier Swan of Bermuda will be visiting London in November to take part in the Lord Mayor's procession and associated activities aimed at promoting Bermuda in the City.

During his stay, Premier Swan wishes to give a private dinner for about 12 people including spouses, and has asked the Governor of Bermuda whether there would be any possibility of the Prime Minister accepting an invitation.

Premier Swan called on the Prime Minister on 28 February this year during a private visit to the UK. On 30 April he spoke to her on the telephone inaugurating a Cable and Wireless earth station in Bermuda.

There are at present no important bilateral matters for the Prime Minister to discuss with Premier Swan. We realise that the Prime Minister's diary will be extremely crowded at this period, and we see no reason to press the Prime Minister to accept. But since the Premier has made an enquiry, we thought it right to relay it to you.

Premier Swan at present plans to be here for one week, 8-15 November. He would be willing to change his plans and come earlier if that was more convenient for the Prime Minister.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

C D Powell Esq
10 Downing Street

Bermuda: Relats May 82.

010.

SUBJECT

cc Master
OPS

CF
Can I see papers please? I think the PM has agreed to see Mr. Swan.
CDP.

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T163/F/84

Premier

The Cabinet Office
Hamilton 5-24, Bermuda
24th September, 1984.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

Dear Prime Minister,

May I take this opportunity to send you a copy of a recent Survey commissioned by the Government of Bermuda on the Quality of Life and Prospects for Change. It is my belief that it accurately reflects the progress that has been made in our Country and demonstrates the success of Government's efforts over these past years.

I also take this opportunity of informing you that I will be in London for the Lord Mayor's Show and look forward to your address at the Lord Mayor's Banquet. Perhaps we will be able to greet each other personally, instead of through a television screen.

Yours sincerely,

John Swan

John W. Swan

Barometer

bc PC

10 DOWNING STREET

From the Private Secretary

21 September 1984

INVITATION TO THE PRIME MINISTER TO ATTEND A PRIVATE DINNER HOSTED BY PREMIER SWAN OF BERMUDA

Thank you for your letter of 18 September informing me of Premier Swan's enquiry whether there would be any possibility of the Prime Minister accepting an invitation to dinner in November.

I should be grateful if Premier Swan could be informed that the Prime Minister was most grateful for the kind thought but her diary is impossibly full for the period in question and she must, with regret, decline.

(C.D. POWELL)

P.F. Ricketts, Esq.,
Foreign and Commonwealth Office.

CDP.
Will you deal please CR

PRIME MINISTER

PRIVATE DINNER GIVEN BY PREMIER SWAN OF BERMUDA

You told Charles Powell that you would like to accept this, diary permitting. The Lord Mayor's Banquet is on 12 November so this is out.

Premier Swann arrives on the 8th - the evening you are dining with the Prince and Princess of Wales; Friday, 9th is being kept free for the Lord Mayor's Banquet speech; Saturday, 10th Finchley and the Festival of Remembrance at the Albert Hall; Sunday, 11th Remembrance Sunday, Monday, 12th Lord Mayor's Banquet, Tuesday, 13th, Dinner for the President of Finland, Wednesday, 14th Audience.

Charles Powell is not pressing you to accept and I hope you will now agree to decline?

Regret

CR.

20 September, 1984

No

APC ①

Foreign and Commonwealth Office

London SW1A 2AH

18 September, 1984

I think I should accept if diary permits. It sounds rather near to the Lord Mayor's banquet.

Prime Minister
Agree to decline this? (It's a kind thought, but an impossibly busy time)
CDP 18/9

Dear Charles,

Invitation to the Prime Minister to Attend a Private Dinner

Hosted by Premier Swan of Bermuda, London, 12 November

Premier Swan of Bermuda will be visiting London in November to take part in the Lord Mayor's procession and associated activities aimed at promoting Bermuda in the City.

During his stay, Premier Swan wishes to give a private dinner for about 12 people including spouses, and has asked the Governor of Bermuda whether there would be any possibility of the Prime Minister accepting an invitation.

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Premier Swan at present plans to be here for one week, 8-15 November. He would be willing to change his plans and come earlier if that was more convenient for the Prime Minister.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

C D Powell Esq
10 Downing Street

The Quality of Life and Prospects for Change in Bermuda

A REPORT TO THE GOVERNMENT OF BERMUDA ON A SAMPLE SURVEY

Prepared by

Prof. Ted Robert Gurr

Northwestern University

September 1984

The Quality of Life and Prospects for Change in Bermuda

A REPORT TO THE GOVERNMENT OF BERMUDA

ON A SAMPLE SURVEY

Prepared by

Prof. Ted Robert Gurr

Northwestern University

September 1984

Premier

The Cabinet Office
Hamilton 5-24, Bermuda
7th September, 1984.

Government decided to commission a large scale, broad based Quality of Life Survey following the Report of a group of social scientists in the Fall of 1982. That Memorandum has tentatively concluded that Bermuda had substantial social problems.

However, in presenting their Memorandum, they conceded that their conclusions were matters of opinion about which there was little firm information. Accordingly, they recommended that Government conduct a systematic enquiry into public opinion to determine Bermudians' own perceptions of their Quality of Life, and their related concerns about public issues. The result was that in May and June of 1984 Government undertook what was probably the first Quality of Life Survey ever commissioned by a national Government as a guide to public policy. The results of that Survey have now been thoroughly studied and analysed by Professor Ted Robert Gurr, a distinguished Professor of Political Science at Northwestern University in Evanston, Illinois.

I am proud to report that Bermudians are much more optimistic about their Quality of Life than the 1982 document had suggested. Indeed, Professor Gurr concludes:

"There is little basis for pessimism in this Report, most Bermudians have a positive outlook on their lives and their country and a clear sense of the kind of issues that require public attention".

The Survey shows, in short, high levels of satisfaction with the Quality of Life here.

I have the pleasure of releasing the Report submitted to me by Professor Gurr.

John Swan

John W. Swan

NORTHWESTERN UNIVERSITY COLLEGE OF ARTS AND SCIENCES

Department of Political Science

Scott Hall
1890 Sheridan Road
Evanston, Illinois 60201

The Honorable John Swan
Premier
The Government of Bermuda
Hamilton 5-24
BERMUDA

Dear Premier Swan:

I am pleased to forward to you the enclosed report, "The Quality of Life and Prospects for Change in Bermuda: A Report to the Government of Bermuda on a Sample Survey." It is the culmination of discussions begun in September 1982 and survey work which was designed and executed during 1984.

It has been a challenging project and one which, in my view, is well worth repeating in future years. The results of this first survey provide a baseline against which to judge future changes in the attitudes and concerns of Bermudians.

I look forward to meeting you again and to discussions of the results and implications of the study.

Sincerely yours,

Ted Robert Gurr
Payson S. Wild Professor
of Political Science

Table of Contents

Chapter 1
INTRODUCTION

By objective indicators Bermuda is one of the most prosperous multiracial societies in the world. Its' estimated per capita productivity of $12,383 in 1981 ranked slightly behind that of the United States ($12,820 in 1981) but ahead of Canada ($11,400) and Britain ($9,110). It was also twice as great as that of Trinidad and Tobago ($5,670 in 1981), the most prosperous of the larger Caribbean island states[1]. Bermuda has very little unemployment, no districts that Britons or North Americans would recognize as slums, a beautiful and pollution-free environment, and relatively little crime. This survey shows that the great majority of residents are satisfied with the quality of life in Bermuda (Chapter 3, below). Nonetheless, some Bermudians believe that the islands have significant problems and are concerned about the future.

This was the observation of a small group of consultants who visited in Bermuda in September 1982, at the invitation of the Government. Based on conversations with many officials and civil servants, and some people outside government, we suggested that

> *Bermuda... has substantial unresolved social problems. Many of them arise from perceptions of black and working-class Bermudians that material goods, notably housing, and opportunities, including educational ones, are inequitably distributed. Other social problems are directly or indirectly related to these perceptions: personal frustration, racial animosities (usually concealed rather than overt), alienation from society, cynicism about government, and a rising incidence of social pathologies such as drug abuse.*

A related issue was whether these social problems translated into a sense of relative deprivation among a significant number of Bermudians. Deprivation which arises from social problems creates a potential for civil disorder which, in Bermuda could have disastrous consequences.

The degree of concern about social problems, and the extent of deprivation, were matters of opinion and dispute about which there was little firm information. As a consequence the consultants also concluded that

> *The kinds of information currently gathered by the Bermuda government are inadequate for the diagnosis of many current social issues.*

To determine accurately the dimensions of discontent in Bermuda, we specifically recommended that the Government commission one or more surveys about Bermudians' perceptions of the quality of life and their related attitudes about public issues.

This Report is a summary of the findings of the first such survey done in Bermuda. It is also, so far as we know, the first quality-of-life survey every commissioned by a national government as a guide to public policy. A representative sample of island residents aged 15 and over was interviewed by telephone between May 28th and June 14th, 1984. Virtually all Bermudian households have telephones and the great majority of residents proved willing to answer questions. These conditions help make telephone interviewing a reliable technique for surveying people's attitudes. The survey results were weighted using demographic variables to bring the sample into correspondence with the published figures in the 1980 Bermuda Census. This is a standard technical procedure used to ensure that the tabulated answers reflect all social groups in proportion to their numbers in the population.

The questionnaire used was designed in consultation among Bermudian officials and social researchers at Northwestern University in Evanston, Illinois. The interviewing was done by trained Bermudians. The information from the questionnaires has been analyzed and written up by Ted Robert Gurr, Professor of Political Science at Northwestern University.

This is a Report to the Government and the people of Bermuda. It offers a portrait of the current personal and social concerns of a representative cross-section of island residents. It also indicates what they think about Government's priorities and policies in dealing with many public issues. The Report is not the last word on these subjects. Public concerns change, and it is recommended that the Government undertake a series of surveys in coming years as a means of tracking, and responding to, those changing concerns.

This first Report will have served its purpose if it sharpens Bermudians' awareness of one anothers' concerns and if it helps officials identify issues for public attention. The picture which emerges from these data is more diverse and more positive than the consultants' impressions in 1982. It is evident that Bermuda is a mosaic of people whose experiences and opinions are in agreement on some issues, divergent on others. No one group can assume that its own views are a mirror image of others' views. Perhaps most important, there is little basis for pessimism in this report. Most Bermudians have a positive outlook on their lives and their country, and a clear sense of the kinds of issues that require public attention.

1. Bermuda's per capita Gross Domestic Product has been calculated by the Ministry of Finance. The use of Gross Domestic Product leads to a slight underestimation of the Bermuda figure compared with those for other countries, which are per capita Gross *National* Product, as reported by The World Bank, *World Development Report 1983* (Oxford University Press), p. 149.

Chapter 2
PATTERNS OF BERMUDIAN LIFE

This Chapter is a summary of background information that Bermudians provided about themselves and how they work and live. Each table shows the percentages of respondents who gave a particular answer. Table II.1, for example, shows that 81% of all Bermudians reported that the have lived most or all their life in the islands, while 9% moved there less than 10 years ago. Demographic variables significantly affect people's responses to many such questions. Youth may have different views and experiences than adults, black Bermudians sometimes have different concerns than whites, economically prosperous people usually are more content than people from poorer families. On subjects where race, family income, or age significantly affect people's responses, this Report comments on the differences. There also are a number of analyses of differences between the satisfied majority of Bermudians and the dissatisfied minority.

2.1 ORIGINS, NATIONAL HERITAGE, AND TRAVEL

Table II.1, shows that while 9% of all people surveyed said they came to the islands more than 10 years ago, 18% of whites gave this response compared with 4% of blacks. The survey also shows that nearly two-thirds of whites report that they have lived on the islands most or all their lives: 63% compared with 92% for blacks. Among blacks from overseas half came more than 10 years ago, half less than 10 years ago. The same is true of whites from overseas.

Comparisons made according to people's family incomes (not in the Table) show that income differences between native Bermudians and immigrants from overseas are not great, and that many native Bermudians do very well economically. For example, of the Bermudians who reported family incomes over $25,000, 75% said they had lived most or all of their life in the islands while 13% had moved to Bermuda in the last 10 years. People from overseas are about equally likely to be in the middle and higher income categories, but not in the lowest.

Bermuda has been described as a mosaic of diverse people. When asked directly whether they are white or black, 36% say white, 62% black, and 2% other. Asked about their national heritage, however, the results show more diversity than is captured in a simple black-white distinction (Table II.2). While 45% of residents say they are black Bermudians by heritage and 22% say white, one third of them identify other national heritages, the most numerous of which are English (11%), Caribbean (7%), and Portuguese (5%). Another source of

diversity is people's reported status as Bermudians: the non-Bermudian 16% are equally divided between those who have lived in Bermuda more and less than 10 years.

The fact that 67% of people surveyed said their national heritage was black Bermudian or white Bermudian demonstrates the existence of a widespread sense of Bermudian identity. The dimensions and implications of national identity among residents of the islands should be probed in a future survey.

Residents of Bermuda are also widely travelled: more than three-quarters report that they go off the islands at least once a year, while 9% make four or more off-island trips annually (Table II.1). Blacks travel off-island somewhat less frequently than whites. The most notable difference is that fewer blacks make multiple trips each year (whites 45%, blacks 34%). People in higher-income categories travel somewhat more often than others, but even those reporting family incomes less than $15,000 usually travel: 69% say they go off-island at least once a year.

By far the most common destination for travellers is the Eastern United States (62%). Other parts of the United States plus Canada account for 23% of travel destinations, Britain and Continental Europe together only 10%. The only notable difference by race is that white residents of Bermuda more often travel to Canada and Britain (24% compared with 4% among blacks) while blacks more often travel to the United States (86% compared with 66% among whites).

2.2 FAMILY AND CHILDREN

Slightly more than half the respondents reported that they were married (52%), a third were single, the others divorced (9%) or widowed (6%) Table II.3). Almost all the youth in the sample were single, but so were a great many adults 21-40. Blacks were more likely than whites to be single, 40% compared with 23%. People in the highest family income bracket are considerably more likely than others to be married. This and a few other items resemble questions asked in the 1980 Bermuda census. The survey results should not be expected to agree exactly with the census results because of the passage of time.

More than two-thirds of the respondents say they have children (69%; youths were not asked this question unless married). Approximately equal proportions of whites and blacks reported having 1, 2, and 3-4 children. More blacks (11%) reported having 5 or more children than whites (6%). There also are significant tendencies for higher-income households to have fewer children than low-income households. This pattern is found in virtually all countries of the world and is not at all distinctive to Bermuda.

2.3 JOBS AND INCOME

All but 16% of people surveyed said they were employed. Those who were not were mainly youth, many of them still in school, and retired men and women of both races. In the 21-40 age group only 5% of blacks and 9% of whites were not employed, most of them presumably housewives. The distribution by type of employment is shown in Table II.4: professional and technical occupations are the most common (33%), followed by administration (18%), service (12%), and sales (9%).

Racial differences in reported occupations are relatively small by comparison with the United States. Among white Bermudians 59% are in the professional, technical, and administration occupations compared with 48% among blacks. Blacks outnumber whites in service occupations, 15% to 7%, and even more in manual labour. Comparisons based on reported family income (not in the Tables) show that, while people in professional and administrative occupations are usually in higher-income households, significant portions are in low-income households. People in service occupations have the lowest family incomes.

More detailed information on family income categories, also in Table II.4, shows that a quarter of Bermudians report family incomes over $35,000 annually. The proportion of whites in that category is twice as great as blacks. In the middle income categories, $15-25,000 and $25-30,000, though, the racial proportions are almost precisely the same. In the two lowest income categories, blacks are proportionately about twice as numerous as whites, 30% compared to 17%. Caution is necessary when interpreting these results because, although people were asked specifically about *family* income, some may have answered about their own personal income. This probably accounts for some of those reporting "under $10,000".

2.4 EDUCATION AND INCOME

In other Western countries education is widely believed to be the means to material success. In Bermuda that belief is consistent with the survey's indirect evidence. The evidence is "indirect" because the people surveyed were asked about their *family* income rather than their own. The inclusion of youths also weakens the relationship, since their own education is not likely to affect their family's income. Nonetheless, the general pattern in Table II.5 is that the higher the education level, the higher the family income. People who have not completed secondary school are most likely to be in the lowest family income category. Those who have completed secondary school, like those who have some college training, are somewhat more likely to be in the middle- and upper-income groups. Virtually everyone who has completed college, white and black, is in the middle- or upper-income bracket.

Comparisons by race show that most black Bermudians in the lowest family income category have only a primary education. Blacks of middle-income families are most likely to have had secondary education. And blacks of high-income families are slightly more likely to have attended college. But many people in high-income black families report only primary education. some of these presumably are people with better-educated spouses. But there are also a substantial number of black Bermudians who are doing well without having had much formal education. This is noticeably less true of whites. Most whites in middle- and higher-income families have at least a secondary education.

2.5 VEHICLES

Eighty-six percent of Bermudians report owning some form of motorized transportation. Those who do not are mainly people in the lowest family income category. Slightly more than half (52%) own a car, 15% motor bikes or cycles, and 18% own multiple vehicles. How they use their vehicles, and the implications for Bermuda's traffice problems, are discussed in Chapter 6, below.

2.6 CHURCH MEMBERSHIP

Three-quarters of island residents report that they go to church at least occasionally, 31% saying that they go once a week or more (Table II.6). Black Bermudians are more likely to attend church and to do so more frequently than whites. Women and older Bermudians also are more frequent church-goers. The largest denominations in terms of reported membership are Anglican (25%, racially balanced), Roman Catholic (16%, mainly whites), and African Methodist Episcopal (11%, almost all black).

2.7 SPORTS AND EXERCISE

Three-quarters of the people surveyed say they play sports on a regular basis, with 15% mentioning tennis and 14% golf. Cricket (7%) and soccer (5%) are distant seconds, while only 4% say they swim. Presumably many more Bermudians go ocean swimming; they may not think of it as a sport.

More than three-quarters (73%) say that they exercise at least once a week for at least one-half hour; 31% claim to exercise four times or more per week. Well-educated, younger respondents exercise more than others.

2.8 SMOKING AND ALCOHOL

Most Bermudians (77%) report that they do not smoke while only 12% say they smoke half a pack or more per day (Table II.8). The

number of cigarettes sold in Bermuda each year suggests a considerably higher rate of consumption, even if tourist sales are discounted, so some respondents probably were underreporting their consumption.

The same may be true of alcohol consumption, which 75% of Bermudians say they use never or only occasionally. Only 9% say they drink every day.

The same groups of people report smoking and drinking most heavily: men more than women, whites more than blacks. Reported alcohol consumption is also higher in upper-income households. An extensive discussion of alcohol problems in Bermuda is given in Chapter 5.

2.9 THE MASS MEDIA

Asked about the media, nearly three-quarters of adult Bermudians think that the television news is very fair (19%) or somewhat fair (53%). The *Royal Gazette* is thought to be very or somewhat fair by 59%. those who think the media are unfair are mainly concerned about racial bias and inaccuracy. for example, 13% of respondents think the *Royal Gazette* is pro-white in its reporting and 11% think it is inaccurate. Only 3% criticize it for being pro-government. There are few differences between blacks and whites in perceptions of fairness or in criticisms of the media.

Chapter 3
PERCEPTIONS OF THE QUALITY OF LIFE ON BERMUDA

Bermudians have a high degree of satisfaction with the quality of life in Bermuda (Table III.1). Overall, more than three-quarters (77%) are very or somewhat satisfied, 17% somewhat dissatisfied, and only 5% are very dissatisfied. White Bermudians are somewhat more likely to be satisfied than black Bermudians, 90% compared to 69%. The dissatisfied 22% of Bermudians are more likely to be women than men and to be in the 21-40 age bracket. This may reflect the particular discontents of women who are single parents.

While it is generally true that blacks are somewhat less likely to be satisfied than whites, black youths in the 15-21 age bracket are more satisfied than their elders and closer to their white peers in satisfaction than in any other age group. Family income evidently has little to do with overall satisfaction. In families with reported incomes less than $15,000, the "satisfied" outweight the "dissatisfied" by 74% to 25%, while for families over $25,000 the difference is 83% to 17%. This suggests that for poorer Bermudians psychic satisfactions may compensate for less-than-average incomes. Another way to make this comparison is to analyze the income brackets of the "dissatisfied" minority. A third of them are in the upper-income bracket and another third in the $15-$25,000 bracket, evidence for the familiar truth that money doesn't necessarily bring happiness.

Most Bermudians, whatever their personal satisfactions, think that life in Bermuda is better than elsewhere (Table III.1). Seventy-two percent think it is better than in the United States, Canada, and Britain; 17% think it is the same and only 7% think Bermuda is worse. Compared with Caribbean island, nearly 80% think Bermuda is better and most of the rest do not know. There is very little difference between blacks and whites or men and women in these general perceptions. Even among the "dissatisfied" 22% of Bermudians, the great majority think that the quality of life in Bermuda is as good or better than elsewhere.

But there is a tiny minority of Bermudians who are both dissatisifed with their quality of life *and* think life in Bermuda is worse than in North America or Britain. They are only 6% of the total population.

People were also asked about their sense of progress during the last five years and their expectations about changes in the next five years. Table III.2 shows how people rated their past, present, and hoped-for future *standard of living*. the majority, black and white, rate past, present, and future as "good" or "excellent". And there is a sense of progress: "excellent" ratings increase from past to present to future, while "fair" ratings decline. Blacks are somewhat less positive than whites in their ratings for each point in time, but they share a sense of personal progress.

Peoples' perception of improvement or decline in their standard of living also was measured by comparing their ratings of past, present, and future. The results are strongly positive: three-quarters or more see their standard of living remaining the same or improving. Only 16% rated their present standard of living worse than five years ago, while 23% thought their personal future would be worse than the present. About a quarter of poorer Bermudians – those in the lowest family income bracket – think that their standard of living has gotten worse. but few of them expect it to get worse in the future. In fact they are somewhat more optimistic than people in higher-income households about their future standard of living. When differences in family income are taken into account, black and white Bermudians are very similar in these perceptions of change in their standards of living.

Similar questions were asked about "how things were, are, and will be" in Bermuda generally. These results are less positive than ratings of standard of living (Table III.3). The percentages of excellent and good ratings combined decline from 61% (past) to 50% (present) to 48% (future) while poor ratings go up from 3% who think the past was poor to 17% who think the future will be poor or very poor. Blacks are somewhat less likely to be optimistic than whites in their ratings for each period, but the general pattern of declining optimism from past to present to future holds across all social groups: black and white, prosperous and poor, young and old.

Peoples' perceptions of the direction of change in Bermuda also were measured by comparing their ratings of past, present, and future. The most encouraging of the results, shown at the bottom ot Table III.3, is the fact that majority of 55% see no change for better or worse. However, the proportions who see past and future progress are smaller (16 to 18%) than the 28% who think that conditions have worsened in the last five years on the 27% think it will continue to get worse in the future.

This concern about the future may be a local reflection of the sense of crisis in Western societies, which has its origins in the energy, economic, and environmental problems of the last decade. Or it may have specific Bermudian origins which should be assessed in later surveys.

People also were asked to compare their personal quality of life with those of other Bermudians, and to assess their personal freedom and independence. The results are summarized in Table III.4. Virtually no Bermudians, even the most dissatisfied, think that their quality of life is worse than that of other Bermudians. This suggests that very few Bermudians feel a sense of deprivation when comparing their lives with others. More than half think their situation is the same as others, while about a third in every category think they are better off. No significant differences among groups are evident in the answers to this question.

There are detectable differences among groups, however, in freedom and independence. On the positive side, nearly three-quarters of people (77% of whites, 70% of blacks) answered excellent or good. On the other hand, 30 to 35% of adults aged 21-40 (not shown in this table) are people with low incomes thought their freedom and independence were only fair or poor. This may be a consequence of material concerns or lack of personal economic opportunity: it is to be expected that people struggling to keep up with the rising cost of living will feel more constrained than others.

The answers to these questions also provide some insights into the concerns of the 22% who are generally dissatisfied with their quality of life. Comparisons in Chapter 2 showed that they are not significantly poorer than average, something which is confirmed here: they do not think they are any worse off, compared to others, than satisfied Bermudians, and are more likely to be worried about their future standard of living and about Bermuda's prospects in general.

What underlies this "syndrome of discontent" cannot be answered

directly by this survey. Other evidence in this Report shows that most of the attitudes and concerns of the discontented generally resemble those of satisfied Bermudians. No one common cause for their discontent can be identified. In short, they do not seem to share a sense of relative deprivation. Rather, their discontent probably arises mainly from individual situations, for example among single parents struggling to hold a job and raise a child, or ambitious younger men in jobs with few prospects for promotion. In Bermuda, however, discontent is not associated in any consistent way with poverty or material deprivation, or with racial discrimination.

Chapter 4
THE SOCIAL AGENDA: MOST IMPORTANT PERSONAL AND PUBLIC CONCERNS

The best things about living in Bermuda are psychic satisfactions: the friendliness of its people and its natural beauty. These qualities were said to be most important by 31% and 23% respectively of all respondents, while another 10% mentioned a third psychic satisfaction, personal freedom (Table IV.1). Material aspects of life were mentioned less often: 17% cited the economy, 9% mentioned low taxes, and 6% said security was most important. Bermudians of both races, all age groups, and all income levels were in close agreement on the relative importance of these qualities.

The worst things about living in Bermuda vary with race and age. White Bermudians and young people of both races are most concerned about the islands' small size. As is to be expected, people in the lower income groups are most concerned about the high cost of living. Overall, 27% said cost of living was the worst aspect, 18% cited small size, and 14% said housing. The other specific problems mentioned by 3% or more of people were drugs (6%), unemployment (3%), racial tension (3%), and traffic (3%).

The minority of Bermudians who are generally dissatisifed with the quality of life can be singled out again for special attention: What do *they* think is best and worst about Bermuda? Table IV.1 shows that they are very similar to other Bermudians in what they think is "best" about Bermuda. The worst things for them are only slightly different: they are noticeably more concerned with housing. It also is significant that racial tension is not any more important to these dissatisfied Bermudians than to others and neither is cost of living.

Answers to open-ended questions about the "best" and "worst" of Bermuda reflect people's most immediate concerns. They were also asked how they rated the handling of each of a set of specific issues ranging from the management of the economy to the quality of police services. Their responses are listed in Table IV.2, beginning with the one issue – control of drug abuse – that Bermudians think is being handled most poorly. Forty-five percent think drug abuse is poorly controlled, compared with 38% who are seriously concerned about recreational facilities, 36% with alcohol abuse, and 34% with the outlook for Bermudian youth. The similarity of these percentages does not mean that these four issues are of similar importance to people, only that they are most concerned about policies for dealing with them.

Issues of middling concern to Bermudians are labour relations (23% think they are being handled poorly), the outlook for the elderly (22%), and protection of the environment (18%). People are most satisfied with health care, police service, the management of the economy, and their present housing conditions.

It may seem inconsistent that Bermudians complain about housing and the cost of living in response to one kind of question (Table IV.1 above) but then give a good rating to the management of the economy and their own housing in answer to other questions. Despite widespread discussion of "the housing problem", for example, two-thirds of Bermudians surveyed think their own housing is excellent or good, another 23% say it is fair.

The answer is that different groups of Bermudians have different concerns, as the survey demonstrates. Bermudians in the upper income categories show only mild concern about housing or cost of living in response to any of these questions. These economic concerns are heavily concentrated among people with low family incomes. Similarly, when asked to rate the management of the economy, more than half of black Bermudians (55%) thought it was fair or poor, contrasted with only 21% of whites.

Race also makes a difference in the relative importance of other issues on the social agenda. For example, black Bermudians are more concerned about the handling of drug abuse than whites. Blacks are also sharply more concerned about the outlook for youth: 36% think it is poor contrasted with 17% among whites. Other issues on which there is greater concern among blacks than whites are recreational facilities (black, 45% poor; white, 27% poor) health care, and police service. On the other hand there is approximate agreement about the handling of labour relations (most people think it is fair), the outlook for the elderly (fair to good), and protection of the environment (fair to good).

A brief look at the concerns of the dissatisfed 22% of Bermudians shows that they consistently give worse ratings to the handling of every social issue (not in the tables). What is striking is that they agree almost exactly with the satisfied majority in the *rankings* of their concerns. For example, they give the poorest ratings to control of drug abuse and recreational facilities, and the best ratings to health care, the same rankings as "all Bermudians" in Table IV.2. This indicates that the "syndrome of discontent" mentioned at the end of the previous chapter is not caused by one or a few particular social problems, with the possible exception of housing. The casual connection is probably the other way round: personal discontent makes people less satisfied with the handling of all social issues.

Chapter 5
THE PERSONAL CONCERNS OF BERMUDIANS

Some of the issues on the social agenda affect people's lives in direct and personal ways. These issues are examined here in detail: Economic Opportunity, Education, Alcohol and Drug Abuse, and Sexual Conduct, Racial discrimination is the subject of a later section.

5.1 ECONOMIC OPPORTUNITY

Bermudians have a remarkably high level of satisfaction with their jobs. Overall, 86% of people surveyed call themselves satisfied with their jobs while only 14% say they are dissatisfied (Table V.1). This can be compared to 80% of working Americans who said they were satisfied with their jobs in a 1978 U.S. national survey[2]. The high level of satisfaction in Bermuda is evident for virtually all demographic groups. Three-quarters of employed black youths are satisfied, 88% of white youths, and these proportions increase among older groups, so that over 90% of adults over 40, black and white, are satisfied. There are only slight differences between women and men (not shown in Table V.1): 88% of men and 84% of women are satisfied. And there is little difference among income groups: even in the lowest family income category, 82% are satisfied with their jobs. There is virtual consensus that work in Bermuda is satisfying and rewarding.

More detailed questioning underscored this finding. Eighty-one percent of employed people surveyed express satisfaction with their working conditions while only 19% say they are dissatisfied. Again, satisfaction runs across the board: at least 70% in every demographic group was satisfied with working conditions.

Bermudians also think they have fair chances for personal job advancement. More than two-thirds of both whites and blacks share this

2. Angus Campbell, The Sense of Well-Being in America: *Patterns and Trends* (New York: McGraw-Hill, 1981), p. 240.

optimism, and more than 60% of people in every demographic category. The most dissatisfied group are younger adults, aged 21-30, more than a third of whom are not satisfied with prospects for job advancement (not shown in Table V.1). Both blacks and whites in this age group are more dissatisfied on this issue than people in other age categories. This suggests that the problem is mainly one of early and mid-career dissatisfaction, brought about by the "bottleneck problem" of too few senior positions.

Some attitudes about economic opportunity in general are positive, others negative. On the positive side, two-thirds of all Bermudians think that available jobs are interesting and fulfilling, and that Bermuda is an open society (Table V.2). The majority of Bermudians in all demographic and income groups agree with these propositions.

Contrary to these views, two-thirds of all Bermudians believe that some people have more economic opportunities than others. Majorities in virtually every group, black and white, prosperous and poor, think some people have more advantages. They were not asked *which* people or *what* advantages, but their skepticism may be linked to the widespread concern that foreigners are taking jobs that rightfully should go to Bermudians. This can be interpreted as widespread support for policies of Bermudianization.

Also of concern, but in a differnt way, are inequalities affecting women (not shown in the accompanying tables). There is a widespread belief, held by 55% of all people surveyed, that men are paid more than women for the same type of work. Whites and blacks in all age categories agree in similar proportions. Interestingly enough, so do both men and women: 57% of women agreed that men make more and so did 52% of men. Whether this is objectively the case cannot be determined now, but future surveys can ask more detailed questions about peoples' personal knowledge of inequities in pay.

5.2 EDUCATION

The Bermudian educational system, public and private, gets high marks from parents of school children. The survey identifies only a few issues for concern, particularly a desire for more homework and more school discipline.

In all, 49% of the adults surveyed say they have children currently in the school system while another 30% say their children have finished school. Slightly more than half of white respondents with children in school send their oldest child to private schools (55%) while 87% of black respondents have their oldest child in public schools. These differences by race and type of school affect both children's school experiences and parents' perceptions of the Bermudian educational system.

Children's school experiences are shown in Table V.3, as reported by their parents. The heaviest homework loads are required by private schools. Public schools seem to be significantly less demanding but what is striking is the apparent difference between black parents, 45% of whom report less than 3 hours of homework per week, and white parents, 55% of whom report more than 5 hours. If it is true that public schools place fewer homework demands on black than white students, some black children are potentially being short-changed in the race to take advantage of Bermuda's economic opportunities.

Answers to other questions show that about 40% of both white and black parents of public-school children think homework demands are too low. Black families' special concern for their children's education shows up in the help they report providing on homework. They are more likely to help "often" than parents of white public-school children. So are parents of private-school children.

The majority of parents are well-satisifed with their child's school. Discipline is not thought to be much of a problem, although a quarter of black parents and a quarter of parents of private-school children think discipline is too lenient. Almost all whites give a positive rating to the quality of teaching in their child's school. Black parents are somewhat more concerned: one quarter of them say that teaching is only fair. But not a single parent surveyed said discipline was too strict, or the quality of teaching poor.

Given the high level of satisfaction with the schools, it is not surprising that no major problem area emerged when people were asked what aspect of the educational system most needed improvement (Table V.4). The most common answer, for all groups, was teaching, but it was mentioned by only a fifth of parents. White parents are more concerned about discipline, especially in the private schools. A fifth of black parents want examinations improved, one in ten wants better facilities. These two areas are of little concern to white parents.

There is some dissatisfaction with standardized testing, but its critics are about equally divided between the 19% who think there is too much (mainly white parents) and the 15% who think there is too little (white and black). Still, the most important finding may be that 40% of all parents could identify no aspect of the educational system in need of improvement.

The last question shows considerable parental support for helping with recreation. Overall, 56% of parents said they would be willing to supervise playgrounds if kept open after school, including 60% of white parents and 55% of black parents.

5.3 ALCOHOL AND DRUG ABUSE

Drug abuse and alcoholism are two issues highest on Bermudians' agenda of problems which are being handled badly (see Chapter 4, above). The survey included a number of questions about these issues, many of which were asked only of youths age 15 to 21.

It was noted in Section 2.7, above, that reported alcohol consumption is highest among whites, particularly older whites. Seventeen percent of whites report drinking every day compared with 5% of blacks. Being drunk is not something people will readily admit, but nonetheless Table V.5 shows that 19% of Bermudians report that they get drunk at least sometimes. More whites (52%) than blacks (36%) report getting drunk, and slightly more people in the upper family income categories. Women (66%) are considerably more likely to say that they never get drunk than men (47%).

Fourteen percent of people surveyed report that they have driven while drinking, whites more than blacks by 19% to 11% and men more than women by 23% to 7%.

Of special concern is the fact that 70% of white youths report that they get drunk. Similarly, while 95% of all Bermudians said that no one in their household had a problem with alcohol, only 90% of young whites gave this response. And when youth were asked whether any friends have a problem with alcohol, a full third said that some do. Evidently a significant, and perhaps growing, part of the drinking problem in Bermuda is concentrated among youth, especially whites. Moreover, comparisons across family income categories point to a greater concentration of alcohol problems in higher-income families – the same ones which reported the highest alcohol consumption (see Section 2.7).

More than a third of young Bermudians (35%) also reported that some of their friends had a problem with drugs, though very few (2%) were willing to acknowledge such problems in their households. White and black youth of lower and upper income familes are equally likely to have friends with drug problems[3]. Girls somewhat less likely to have friends with drug problems (28%) than boys (44%).

Bermudians' widespread concern about drugs translates into support for tougher penalties for drug use and especially for pushing. Fifty-five percent of people surveyed want increased penalties for illegal drug use compared with only 10% who want them decreased. Drug-pushing drew an even harsher response, with 81% wanting increased penalties and only 3% wanting them decreased. Youth, who report the greatest familiarity with drug problems, are somewhat less likely than adults to want stiffer penalties for drug use. But they share the overwhelming consensus for greater penalties for pushing.

The youth sample was also asked why they though their friends

3. The fact that similar proportions of black and white youths have friends with alcohol and drug problems does not necessarily mean that the problems are equally distributed between whites and blacks. We report evidence in Chapter 8, below, that most socializing among youths is interracial.

drank to excess or used drugs (Table V.7). The answers can be assumed to reflect the respondents' own reasons for drinking and drug use as much as their friends' reasons. The most favoured specific explanations were that it was "fun" (45%), and that the people who did so felt pressure from peers (43%). There are four different general themes among the reasons given. One is excitement: alcohol and drugs are "fun", and "exciting", make people "feel good about life", and "rebellious and daring". This was the most common kind of reason given by both black and white youths. On average, 36% of white youths and 41% of blacks thought these were "always" or "most of the time" reasons for taking alcohol and drugs.

The second most common theme is that people do what their friends do: they respond to "peer pressure", drugs and alcohol make them "closer to their friends". Both black and white youths thought these were second in importance only to the "excitement" reasons.

The third theme is "escape", the reverse image of excitement. Drugs and alcohol are used because people are "unhappy", "bored", have "nothing better to do" and "nothing to look forward to". On average 25% of white youth and 34% of black youth agreed with these explanations.

The fourth theme is "problems": people drink and use drugs because of family fights and school problems. On average, 17% of white youths and 20% of blacks thought these were common reasons.

The general pattern is that black youths identify a somewhat larger number of reasons for drinking and drug use, but are in agreement with white youths about the relative importance of alternative kinds of motives. The major reasons are the search for excitement, going along with friends, and escape from boredom. Personal problems are less important than any of these.

5.4 ILLEGITIMACY

The issue of children born outside of marriage was considered an important issue by most people surveyed (no Table). Overall, half of Bermudians said the issue was very important and only about a quarter said it was not very important. Whites were more likely to call it very important than blacks, by 57% to 46%. Another question tapped one source of this concern by asking whether children born out of wedlock face harships as a result. Bermudians divided equally, 47% to 47%, on this issue. Whites (54%) were more likely than blacks (42%) to feel that illegitimate children will face hardships.

Chapter 6
PUBLIC ISSUES

Five of the issues on the social agenda are mainly areas of public policy and regulation. They are the economy, housing, recreation, traffic, and crime. Each has a personal dimension but solutions to the problems the pose are largely beyond the individual.

6.1 THE ECONOMY AND HOUSING

When asked about the worst aspects of living in Bermuda generally (Table IV.1, above), two of the conditions people mentioned most often were cost of living (25%) and housing (14%). These answers reflect their personal concerns. When they were asked specifically about the most important *economic* problem facing Bermuda (Table VI.1), the same two answers were at the top of the list, though in reverse order: housing (35%) and cost of living (23%). These answers reflect their perceptions about the country's problems, which of course are not precisely the same as their personal concerns. Other economic problems mentioned were tourism (8%), unemployment (5%), and labour (3%). Some mentioned problems that are not economic ones in any obvious way: drugs (5%), overpopulation (2%), and crime (1%).

When asked how to resolve such economic problems, the only common response is both obvious and impractical: to lower prices. Ther were only two concrete recommendations for policy mentioned by more than a handful of people: building houses (11%) and Bermudianization (5%).

The concerns of different social groups were generally quite similar. Worry about the cost of living, for example, was equally widespread across all groups. Housing is something of an exception. Concern about housing, and recommendations that more housing be built, were most common among black Bermudians, in lower-income families, and among large families. Even the dissatisfied minority of Bermudians have similar economic concerns to satisfied Bermudians.

6.2 RECREATION

The need for more recreational facilities is high on Bermudians' social agenda (Tables IV.2 and IV.3), where we found that 38% rated the handling of this issue poor or very poor. In response to a later question (Table VI.2), only a third said that there are enough recreational facilities. A variety of facilities were recommended, with youth centres (25%) and parks (17%) heading the list. Small numbers suggested a sports complex and swimming facilities (9% each).

Black adults and young people of both races express the strongest support for more recreational facilities. There are differences in preferences among groups, though. Youth are equally enthusiastic about youth centres and parks, while others want a sports complex: these three options were mentioned by two-thirds of all respondents in the 15-21 age bracket. Older Bermudians agreed on youth centres but were as interested in swimming facilities as parks.

Providing new recreational facilities could compete with the preference of 65% of Bermudians for "keeping Bermuda's open spaces as they are". This is the majority preference across all social groups. One implication is that most people want to restrict recreation in open spaces to passive uses. Future surveys should explore in greater detail the seeming contradiction between peoples' strong desire for more recreational facilities, and their desire to preserve the environment.

6.3 THE TRAFFIC PROBLEM

Only 4% of people surveyed said that traffic was "the worst aspect" of living in Bermuda (in Table IV.1). Most probably regard it as a nuisance rather than a critical public concern. There is no consensus about what causes "the traffic problem". Respondents (adults only) divided equally according to whether the problem is the result of too many cars, bad driving habits, or both (Table V.3). Almost two-thirds (64%) say they are prepared to accept further restrictions on car ownership as a step toward solution. Higher-income whites favour this approach more than black Bermudians.

Eighty-six percent of adults reported owning one or more motorized vehicles and 86% of them say they use them regularly to go to Hamilton. Thus 74% of adult Bermudians regularly drive a car or ride a motorbike or motorcycle to the city. This 74% were asked if they would be more likely to take the bus to Hamilton if it was cheaper. Only 11% said they would definitely use the bus and another 19% said "probably", most of them being people in the lower income brackets.

Imposing a charge for street parking in Hamilton would not make much more difference in bus usage: 10% said they would definitely use the bus in this case, 19% said "probably". There was only slightly more support for carpools in response to parking fees. Nine percent said they definitely would carpool, 27% said they probably would do so.

It is clear from the responses that whites and upper-income families are less likely to change commuting patterns in response to either reduced fares or increased parking fees. On the other hand these groups *do* favour further restrictions on car ownership, and by a substantial majority. The unasked question is whether they or any other Bermudians would be willing to give up their present vehicles as part of a solution to the traffic problem. The answer is very probably no.

6.4 POLICING AND CRIME

Crime was not a serious concern for most Bermudians at the time of the survey. Almost two-thirds of the adults asked (64%) said that the crime rate in their neighbourhood was less than average or very low (Table VI.41). Another 27% said "average", only 8% thought it was above average. On the other hand 26% though that crime had increased in their neighbourhood in the past few years, while very few (6%) thought it had decreased. Whites are slightly more concerned about crime than blacks: they are more likely to report "average" than "very low" crime rates and slightly more likely to think that crime has increased in their neighbourhoods. In an analysis by parish, concern about crime among adults seems greatest in Warwick (where widely-publicized robberies recently occurred) while it is even lower than the Bermudian average in Hamilton and Southampton.

Studies of the fear of crime in the United States and Britain show that it is substantially influenced by media reporting of crime. Many people take their cues from the news or hearsay rather than personal experience. One result is that fear of crime often is higher in neighbourhoods with relatively low levels of crime, or greater among people who, statistically, are unlikely to be victimized. Thus there is no certainty that changing concerns about crime in Bermuda are necessarily an accurate reflection of real changes in crime.

Bermudians also agree that people in the neighbourhood have some responsibility for the prevention of crime. Only 18% think it is mainly a police responsibility. The remaining 42% say it is a shared responsibility between residents and police. While most industrial societies have experienced sharp crime increases since the 1960s, a few have not – especially Japan, Switzerland, and Austria. The people of these countries generally have a greater sense of personal and neighbourhood responsibility for keeping an eye out for crime. Bermudians' attitudes are consistent with this emphasis on informal social control. Bermudians also show a high potential for co-operating with the police in crime-control efforts.

Chapter 7
RACE RELATIONS

The evidence reviewed above shows that Bermudians differ somewhat along racial lines in their satisfactions and dissatisfactions, and also in some of their perceptions about social and economic issues. Very few of them (5% of whites, 2% of blacks), however, thought that racial tension was Bermuda's worst problem (Table IV.2).

The survey asked many direct questions about race relations, prejudice, and discrimination. These are the two most positive conclusions. One is that most Bermudians agree that there has been substantial recent progress in race relations. The other is that white and black youths are closer together in nondiscriminatory attitudes and experience, and think that racial discrimination is less a problem, than older Bermudians. But the results also show that, for all social groups, prejudice and discrimination remain a matter of concern.

7.1 ETHNICITY AND RACE RELATIONS

The first issue is whether Bermudians all think about prejudice and discrimination in black-white terms. It was reported in Chapter 2.1 that while 25% of people surveyed say their heritage is black and 22% say white, the remaining one-third say that they are English (11%), Caribbean (7%), Portuguese (5%), other nationalities. When asked about discrimination, however, the pattern of answers among the Portuguese and English are virtually the same as those among whites generally. and people of Caribbean origin respond similarly to blacks generally. The inference is that race is more important than national heritage in shaping Bermudians' perceptions of race relations. Caribbeans or Portuguese may have some distinctive ethnic attitudes and experiences, but evidently think about prejudice and discrimination in racial terms.

7.2 SOCIALILZING

Nearly two-thirds of Bermudians say that they socialize equally with members of both races, 31% mainly with members of their own race (Table VII.1). Blacks and whites report similar experiences, which helps confirm the accuracy of this portrait of high levels of interracial interaction. The highest levels of interracial socializing are reported by white and black youths. The lowest levels are found among higher-income white men.

7.3 THE EXTENT OF PREJUDICE

Just under half of Bermudians think that most whites are prejudiced against blacks, and that most blacks are prejudiced against whites (Table VII.2). What one group believes about another group is not necessarily true, however. Whereas most blacks (53% vs. 39%) think that most whites are prejudiced, most whites (60% vs. 34%) think that other whites are *not* prejudiced. Whites also are rather hopeful about black attitudes toward them: 51% say blacks are not prejudiced against whites compared with 41% who think blacks *are* prejudiced against them. Among blacks, however, the picture is reversed: 49% of blacks think other blacks are prejudiced against whites, slightly more than the 44% who think blacks are *not* so prejudiced.

The general pattern, in short, is that blacks perceive somewhat more racial prejudice, among themselves and among whites, while whites optimistically see somewhat less prejudice in themselves and in blacks. (The survey did not ask people directly whether they personally were prejudiced because it is not a question which gives reliable results).

7.4 THE FUTURE OF RACE RELATIONS

The groups who consistently perceive the greatest amount of prejudice in blacks and in whites are older blacks (see Table VII.2) and black women. The groups who consistently see the least prejudice are youths, both black and white. These differences offer hope for the future. Older Bermudians carry the burdens of the past, young people have had the experience of growing up in a more open multiracial society.

The picture of Bermudians' hopes and fears for race relations in future generations is rounded out in Table VII.3. Three-quarters of all people think that relations between black and white children are better than those between adults, while most others think it is the same (16%). The great majority (71%) also think there is more prejudice among adults than among young people. And there are no significant differences among groups in these positive views. The one real basis for concern is that half of Bermudians still think it is easier for a white child to get ahead in Bermudian society, while only 41% think that there is no racial difference. Black youths and younger black adults are the most pessimistic about equal opportunities.

7.5 RACIAL DISCRIMINATION

Prejudice, real or perceived, does not necessarily translate into discrimination. But most Bermudians think that racial discrimination *is* a problem; they disagree mainly in how serious (Table VII.4). One person in six (16%) thinks discrimination is a very serious problem – blacks more than whites. A plurality of 44% think discrimination a somewhat serious problem, with no significant differences among groups. Another 38% thinks discrimination is not particularly serious – whites more than blacks. Here again is evidence of generational change: young Bermudians, black and white, tend to think that discrimination is a less serious problem than older people.

Another positive indication is the widespread sense that race relations have improved during the last five years, a point agreed upon by nearly half of every group in the population. Only one in 10 residents thinks they have gotten worse. Those who said they thought race relations had improved were asked how satisfied they were with the rate of progress. Only 13% were dissatisfied with the rate of progress; the great majority of those who think there has been progress, 84%, are very or somewhat satisfied on this count.

7.6 AREAS OF DISCRIMINATION

People also were asked whether they thought there was discrimination in each of eight specific areas of employment and services. Half

or more of all blacks and a quarter or more of all whites say they think there is some discrimination in each area. The problem is thought to be greatest in hiring and promotion by private businesses and hotels. Government is thought to be fairer in hiring and promotions. The most positive ratings are given to fairness in the schools and government services.

These results are not convincing because the survey did not ask what specifics were in the minds of the 40% to 60% of respondents who throught there was "some" discrimination in every area mentioned. Perceptions of discrimination, although a cause for concern, are not the same as the practice of discrimination. Some whites may think there is discrimination by blacks against whites, rather than vice versa. And it is possible that many Bermudians say there is discrimination because other people say it exists. Who discriminates against whom, in what specific ways, needs to be asked in future surveys. It is possible that many Bermudians' perceptions of discrimination are a legacy of the past rather than a reflection of their own contemporary experience.

7.7 GOVERNMENT'S RESPONSIBILITIES FOR RACE RELATIONS

The 60% who said they thought discrimination was a very or somewhat serious problem (Table VII.4, above) were asked whether government could do anything about it. There was little support for a more active government role. Half of both whites and blacks said "nothing". The other responses show that the most common prescription is "individual change", recommended by 19%, which implies little or no government involvement. A more active public role is supported by those who recommend legal action (10%), Bermudianization and integration (5% each), and "government involvement" generally (11%). Of the 60% who are concerned about discrimination, 33% mention one of these kinds of government action. These 33% make up only 20% of all people surveyed. There is little difference among races in these performances. And youths are the least likely to recommend further government action.

These results should not be interpreted as opposition to any government role in race relations. Rather, most Bermudians evidently do not want government to *add to* its responsibilities in this area. Bermuda probably has followed a similar pattern to the United States, where substantial public support developed during the 1960s for government action against discrimination. Once new civil rights policies were in force, however, support for further government intervention declined[4].

Chapter 8
GOVERNMENT AND POLITICAL PARTICIPATION

Bermudians were asked many questions about their attitudes toward government in general and about tactics for influencing what government does. They were not asked for opinions about the present Government, but those opinions may have influenced their answers.

8.1 HOW SATISFACTORY IS GOVERNMENT IN GENERAL?

Most Bermudians accept the way in which government spends tax money. Nearly a third (31%) think it is good or excellent. (Table VIII.1), 38% say it is fair, while 25% rate it poor or very poor. Since Bermuda has no income tax, the "fair" and "poor" ratings probably reflect the prevailing fashion in most Western societies to be skeptical of what government does. For some people, though, they may reflect a deeper cynicism about government, which is the subject of the next set of questions.

8.2 HOW MUCH DO PEOPLE TRUST GOVERNMENT?

In nine questions the people surveyed were asked whether they understood government and politics, whether they trusted people in politics, and whether they could influence what government does. Similar questions have been used in other countries to measure people's sense of trust in or cynicism about government. The survey shows that majorities of Bermudians think that they *do* have a say and they *can* do something about what happens in governments, attitudes which are consistent with the high levels of turnout in Bermudian elections. There is a measure of cynicism about government, however. Most people surveyed agreed with statements to the effect that politics and government are too complicated to understand, and that government is run by powerful people who "don't care about people like me".

Blacks are more skeptical in answering most of these questions than whites. It is likely that some, perhaps many, people responded thinking not about "government in general" but about the present Government. Therefore the answers, and the differences between groups, reflect a mixture of partisan attitudes and cynicism about, or trust in, government in general.

Bermudians can be divided into three groups based on their answers to the nine questions about government and politics. "Participants" are those who disagree with six or more questions: these people believe that participation generally works and that government and politicans care about them. Table VIII.2 shows that 22% of respondents fall into this category. At the other end of the scale are Bermudians who *agree* with six or more of the questions. The 34% in this category are generally "Cynics" about what government does and their chances of influencing it. The middle group of 44% are positive about some aspects of government and politics, pessimistic about others. Their mixed attitudes are common in most democratic countries; here they are labelled "Citizens".

There are consistent differences between black and white Bermudians in their trust in government. In summary comparisons, whites are more likely to be Participants and blacks are more likely to be Cynics. There are few differences among age groups or between men and women. Family income does make a significant difference, though, in the sense that people from low-income households are three times more likely to be Cynics than Participants. Middle- and higher-income households are more evenly balanced between Participants and Cynics. Economically prosperous people, in Bermuda as in other countries, are more likely to trust government than poorer people, irrespective of race.

Skepticism about government is part of the contemporary political worldview of people in most Western countries. Similar questions asked in the United States show that between 1958 and 1978, those trusting in government decreased from 18% to 19% of the population while cynics increased from 11% to 52%[5]. Cynicism is present but seems somewhat less in Bermuda, perhaps because the population is small enough that ordinary citizens are more likely to know and interact with officials and politicians. Two major qualifications about these results also need to be repeated. First, they may be influenced by partisan attitudes toward the present Government, both pro and con. Second, and more important, majorities of Bermudians agree that they *can* affect what happens in government. This is one of the virtues of politics in a small, democratic country: most people think that their participation can make a difference.

8.3 SUPPORT FOR POLITICAL ACTION

Since the 1960s new styles of political action have become common in all democratic societies. Political demonstrations, sit-ins, and violent confrontations between protestors and police are widespread. Bermuda has had its share of the new "politics of protest". Serious disturbances, relative to the small scale of Bermudian society, took place in 1968 and December 1977. Other disruptive demonstrations and strikes occurred in 1965, 1969, 1970, March 1977 and 1981.

4. See Angus Campbell, *White Attitudes toward Black People* (Ann Arbor: Institute for Social Research, University of Michigan, 1971).

5. Angus Campbell, The Sense of Well-Being in America: Recent Patterns and Trends (New York: McGraw-Hill, 1981), p. 245. The American results are not exactly comparable to the Bermuda findings because fewer questions and different categories are used.

Some Bermudians also think that disorderly protest is necessary to change government policy. This opinion was expressed by several witnesses before the Pitt Commission (1977, p. 10).

The dimensions of Bermuda's political culture of protest are evident in responses to questions on the kinds of political action people think are and are not justified. They were asked how much they approved or disapproved of six different kinds of action and how productive or unproductive they were as means of bringing about change (Table VIII.3). The great majority of Bermudians approve of signing petitions (82%) and non-violent demonstrations (73%). They also think they are at least somewhat productive means of promoting change: 79% think petitions can work, 73% think demonstrations can work.

Boycotts are also approved of by 56% and an even larger portion, 65%, thinks they are somewhat effective. In other words, some Bermudians don't approve of boycotts but think they work. Damaging property and personal violence, however, are disavowed by the great majority of Bermudians. Nearly 90% strongly disapprove and more than three-quarters think they have very negative effects.

The general picture is one of high levels of support for non-violent forms of political action. Whites are somewhat more likely to draw the line at demonstrations, while the majority of black Bermudians endorse boycotts. Very few people are prepared to endorse violent action. Majorities of blacks and whites agree that the non-violent method are productive, even if they do not necessarily approve of them.

8.4 EXPERIENCE OF POLITICAL ACTION

Bermudians' attitudes about political action have some basis in their own experiences. Overall, 57% of blacks and 46% of whites reported that they took part in some kind of political action in the last decade. Nearly a quarter of blacks reported that they took part in demonstrations and 19% in boycotts. Percentages for whites are smaller but still appreciable. Only 3% of people surveyed said they had taken part in damaging property or other violent action. Results of North American studies of people in riot situations suggest that anyone who was on the scene of a violent confrontation is likely to say they took part. If this applies to Bermuda, the 3% (which includes both whites and blacks) probably were in the crowds during some of the disturbances of the 1970s.

Comparison of people's "participation" and "approval" shows a consistent pattern in which the higher the percentage approval, the more likely people are to say they participated in a particular kind of political action. Some are more approved of in principle than practice, however. This is most evidently true of demonstrations and boycotts. They are endorsed by four to ten times as many people as have actually participated. It is likely that most Bermudians have come to regard such tactics as uncommon but more-or-less acceptable features of politics.

8.5 POLITICAL ACTION IN OTHER COUNTRIES

Similar questions about political action have been asked in a number of other countries, including the United States and Britain in 1974 and in Denmark in 1979[6]. Bermudians resemble North Americans in their high levels of approval for nonviolent demonstrations and boycotts. With regard to violent action, Bermudians approve of it in about the same percentage (6%) as Danes, a people not known for their political turbulence.

Bermudians do report relatively high levels of participation in political action by comparison with other countries. More say they have signed petitions and taken part in boycotts than anywhere except the United States. They also report higher rates of participation in demonstrations. In general, however, Bermudians are not substantially different from the people of other Western democracies in regards to political action, and such differences as exist probably are due to the passage of time between the 1970s, when other countries were surveyed, and 1984. As of 1984, the political culture of Bermuda supports peaceful political action, but strongly disapproves of violence.

8.6 SATISFACTION, POLITICAL ATTITUDES, AND PROSPECTS FOR DISORDER

The survey gives ample evidence that substantial majorities of Bermudians are satisfied with life on the islands and are optimistic about the future.

– are generally satisfied with the quality of life on Bermuda.

– 70% think that their standard of living is good or excellent, 77% think it will be the same or better five years from now.

– 71% think that conditions in Bermuda are the same or better than they were five years ago, 73% think they will be the same or better in five years.

– 86% of employed people are satisfied with their jobs.

– 85% think that race relations are the same or better than they were five years ago.

This widespread satisfaction with life in Bermuda is balanced by concern about a number of social issues, some cynicism about government and politics, and the existence of a minority whose dissatisfactions have been analyzed at a number of point in this Report. This is the information which makes possible a concluding assessment of the prospects for civil disorder.

Much has been made of the *causes* of civil disorder in Bermuda's recent history. The Pitt Commission hearings (1977), as well as recent discussions with Bermudians, reveal a marked concern that social and economic dissatisfactions constitute a potential for future outbreaks of collective violence. Some argue that the roots of future violence are to be found in relative deprivation arising from inequalities in wealth and status. Others have pointed to widespread cynicism about government and to underlying tensions in race relations.

This survey does not have evidence to address all these arguments, but the results do strongly suggest that there is at present no large or explosive potential for disorder. This is why.

(1) Most Bermudians are satisfied with their lives, their work, and prospects for the future. The minority of Bermudians who have what has been labeled a "syndrome of discontent" have no one or two common sources of deprivation. Most of their discontents appear to arise from individual circumstances. In particular, there is no evidence that their discontent arises mainly from racial differences or material deprivation.

(2) Dissatisfied Bermudians are distinctly more cynical about government and politics than satisfied Bermudians. But they are no more likely than other people surveyed to approve of forms of political action like demonstrations and boycotts. Nor are they significantly more likely to approve of political violence. In fact, 90% of the dissatisfied minority do not approve of violent political action.

(3) There is a high degree of support among all Bermudians, discontented or not, for such forms of political action as demonstrations and boycotts. Sizable minorities have participated in them in the past. But this support for political action is no more closely related to political cynicism than it is to dissatisfaction.

The conventional account of the causes of political disorder in multiracial societies begins with inequalities and poverty, especially along racial lines. These then translate into a shared sense of relative deprivation and feelings of intense discontent. The survey shows that while some Bermudians are discontented, these are not its main sources.

The next step in the explanation links discontent with attitudes of antagonism toward government and beliefs that disruptive political action is justified. The survey shows that among Bermudians, such links are incomplete or nonexistent. While discontented Bermudians are relatively cycnical about government, very few approve of violent action.

6. Surveys of the U.S., Britain, the Netherlands, West Germany, and Austria are reported in Samuel H. Barnes, Max Kaase, et al., *Political Action: Mass Participation in Five Wester Democracies* (Beverly Hills and London: Sage Publications, 1979). A Danish study, using the same questions, is reported by Ole Borre, "Protest and Ideology in the Danish Public", paper given to the International Society for Political Psychology, Oxford, 1983.

An alternative link in the explanation of disorder attributes it directly to political cynicism and hostility toward government, whether or not fueled by discontent. This link also is missing in Bermuda: politically-cynical Bermudians are just as unlikely as other Bermudians to endorse violent action.

There *is* potential for protest in Bermuda in the form of demonstrations and boycotts, just as there is in almost every other Western society. Given the state of the Bermudian psyche in 1984, that potential will be realized, if at all, in situations of political and economic contention. It is unlikely to be a reaction to deep-rooted grievances because such grievances as exist are mostly individual rather than collective. And unless protest organizers misjudge, or authorities over-react, protests are unlikely to lead to riotous violence. The great majority of Bermudians, satisfied or not, disapprove such action and think it counterproductive.

The more significant issue to deal with, because it is intangible, may be the concern that many people have about the future of Bermuda. About one Bermudian in four thinks that conditions are not as good now as they were in the past and will get worse in the next five years. This concern is not distinctive to any one group. It has no obvious cause (from this survey's evidence) and therefore no obvious solution. Almost everyone agrees that life in Bermuda today is at least as good as it is anywhere else. More Bermudians need to be convinced that the future can be as good or better.

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TABLE II.2 National Pride

ALL BERMUDIANS	
How would you describe your national heritage and origins?	
45%	--Black Bermudian
22	--White Bermudian
11	--English
7	--Caribbean
5	--Portuguese
11	--Other
Are you a Bermudian:	
84%	--Yes
8	--No, in Bermuda 10+ years
8	--No, in Bermuda less than 10 years

Totals do not necessarily add down to 100 because of rounding errors

TABLE II.4 Jobs and Income

ALL BERMUDIANS	RACE: Black	RACE: White
Current occupation (excluding 6% of respondents with miscellaneous occupations):		
16% --Not employed	15	18
33 --Professional, technical	32	36
18 --Adminstrative	16	23
9 --Sales	9	10
12 --Service	15	7
5 --Manual labor	7	1
Family income (excluding 4% of respondents, mostly youth, who did not know):		
10% --Under $10,000	12	6
16 --$10-15,000	18	11
28 --$15-25,000	29	27
17 --$25-35,000	17	16
26 --$35,000+	19	38

Figures on occupation should not be expected to agree with Manpower Survey data because people's self-classifications are often different from official classifications.

Family income figures should not be expected to agree with government statistical data because some of the respondents may have misunderstood the question and answered about their personal income rather than family income.

TABLE II.1 Length of Time Islanders Report Living in Bermuda and Their Travel Habits

ALL BERMUDIANS	RACE: Black	RACE: White
Length of time lived in Bermuda:		
81% --All or most of life	92	63
9 --More than 10 years	4	18
9 --Less than 10 years	4	19
How many times a year do you go off the island:		
22% --Never	25	17
40 --Once a year	41	38
29 --Two to three times	27	32
9 --Four or more times	7	13
Where do you go most often (asked only for those who travel):		
62% --Eastern U.S.	69	51
23 --Other U.S., Canada	20	28
10 --Britain, the Continent	4	18
4 --Other	7	2

Totals do not necessarily add down to 100 because of rounding errors.

PLEASE NOTE THERE ARE NO TABLES FOR CHAPTER 1.
TABLE II.1 indicates first table of the second chapter.

TABLE II.3 Marriage and Children

ALL BERMUDIANS	RACE: Black	RACE: White	YOUTHS 15-21: Black	YOUTHS 15-21: White	ADULTS 21-40: Black	ADULTS 21-40: White	ADULTS 41+: Black	ADULTS 41+: White	FAMILY INCOME: <$15,000	FAMILY INCOME: $15-25,000	FAMILY INCOME: $25,000+
Marital status:											
34% --Single	40	23	96	94	42	29	15	5	31	34	27
52 --Married	46	60	3	5	52	62	58	67	44	48	64
9 --Divorced	8	10	2	1	5	9	14	13	12	13	7
6 --Widowed	6	7	0	0	1	0	13	15	14	4	3
Number of children:											
31% --None	29	34	Not asked of unmarried youth		36	46	21	23	23	36	30
20 --One	21	18			28	20	14	16	13	21	25
22 --Two	20	24			23	21	18	27	29	21	19
18 --Three to four	18	18			11	9	26	26	23	17	17
9 --Five or more	11	6			3	3	20	8	12	5	9

Totals do not necessarily add down to 100 because of rounding errors, and because a few respondents did not answer.

TABLE II.5 How Education Affects Family Income among Black and White Bermudians

Reported Family Income by Race	Percent of Bermudians in this Group	Highest Reported Level of Educational Attainment (%)					
		Some primary	Completed primary	Some secondary	Completed secondary	Some college	Completed college
Black, less than $15,000	19%	31	34	27	17	17	0
White, less than $15,000	6	10	6	13	5	5	3
Black, $15,000-$25,000	18	15	17	22	20	16	16
White, $15,000-$25,000	10	13	8	6	10	9	20
Black, over $25,000	23	21	22	15	23	24	27
White, over $25,000	21	9	11	11	23	25	35
Totals (%)	98	98	99	94	99	96	100

Totals do not add down to 100 because the 2% of Bermudians of "other races" have not been included in the analysis. Columns also may not add precisely because of rounding errors.

TABLE II.6 Church Membership and Attendance

ALL BERMUDIANS	RACE	
	Black	White
Frequency of church attendance:		
25% --Do not attend	20	33
23 --Less than once/month	24	20
22 --Once or twice/month	23	20
31 --Once a week or more	33	28
Church attended:		
25% --Anglican	22	29
16 --Roman Catholic	8	29
11 --African Methodist Epis.	17	1
9 --Protestant	9	9
7 --Seventh Day Adventist	9	3
6 --Methodist	7	4
27 --others	29	25

Totals do not necessarily add down to 100 because of rounding errors.

TABLE II.7 Sports and Exercise

ALL BERMUDIANS

Sports played on a regular basis:
- 25% --None
- 15 --Tennis
- 14 --Golf
- 7 --Cricket
- 5 --Soccer
- 4 --Swimming
- 30 --Other

Frequency of exercise:
- 23% --None
- 13 --Once a week
- 33 --Two-three per week
- 31 --Four + per week

TABLE II.8 Smoking and Alcohol Consumption

ALL BERMUDIANS

Smoking habits:
- 77% --Don't smoke
- 3 --Smoke cigars or pipe
- 9 --Cigarettes, less than half a pack per day
- 8 --Cigarettes, ½ to one pack per day
- 4 --Cigarettes, more than one pack per day

Frequency of alcohol consumption:
- 33% --Never drink
- 42 --Occasionally
- 15 --Once or a few times per week
- 9 --Every day

Kinds of alcoholic beverages drunk, if any:
- 36% --Wine
- 24 --Beer
- 32 --Hard liquor

Totals do not necessarily [illegible] down to 100 because of rounding errors, because a few "other" responses are not included, and because [illegible] respondents did not answer.

TABLE III.1 The Quality of Life in Bermuda

ALL BERMUDIANS	RACE		YOUTHS 15-21		ADULTS 21-40		ADULTS 41+		FAMILY INCOME		
	Black	White	Black	White	Black	White	Black	White	<$15,000	$15-25,000	$25,000+
Satisfaction with the general quality of life in Bermuda:											
26% --Very satisfied	14	45	12	35	11	49	18	43	18	27	33
51 --Somewhat satisfied	55	45	64	54	55	45	53	43	56	48	50
17 --Somewhat dissatisfied	23	7	20	9	25	4	21	11	21	19	12
5 --Very dissatisfied	7	2	3	3	8	1	6	2	4	4	5
The quality of life in Bermuda compared with the U.S., Canada, and Great Britain:											
24% --Much better	22	27	26	25	21	28	20	27	19	27	26
48 --Better	47	50	49	47	47	52	47	48	59	41	51
17 --Same	18	14	14	17	24	14	16	14	13	22	15
7 --Worse or much worse	7	8	8	9	3	6	10	3	2	9	4
The quality of life in Bermuda compared with most Caribbean Islands:											
45% --Much better	43	49	42	40	42	44	45	57	34	48	51
35 --Better	36	32	41	35	37	35	31	29	45	33	29
9 --Same or worse	11	5	12	10	11	4	12	3	9	10	8

Totals do not necessarily add down to 100 because some respondents did not answer, especially the comparisons with the quality of life elsewhere.

TABLE III.2 [illegible]resent, and Future Standard of Living

ALL BERMUDIANS

How you rate your standard of living five years ago (not asked of youth):
- 10% --Excellent
- 52 --Good
- 32 --Fair
- 6 --Poor, very poor

How you rate your standard of living today:
- 13% --Excellent
- 57 --Good
- 24 --Fair
- 6 --Poor, very poor

What you think your standard of living will be in five years:
- 16% --Excellent
- 53 --Good
- 21 --Fair
- 10 --Poor, very poor

Change in Standard of Living from Past to Present (calculated from above responses):
- 16% --Worse
- 57 --Same
- 26 --Better

Change in Standard of Living from Present to Future (calculated from above respones):
- 23% --Worse
- 57 --Same
- 20 --Better

Respondents who did not answer these questions have been eliminated from the comparisons. Totals do not necessarily add down to 100 because of rounding errors.

TABLE III.3 Past, Present, and Future Assessment of Bermuda

ALL BERMUDIANS

How you think things were generally in Bermuda five years ago (not asked of youth):
- 7% --Excellent
- 54 --Good
- 35 --Fair
- 3 --Poor, very poor

How do you think things are going generally in Bermuda today:
- 6% --Excellent
- 44 --Good
- 42 --Fair
- 8 --Poor, very poor

How do you think things will be in Bermuda in five years:
- 7% --Excellent
- 41 --Good
- 34 --Fair
- 17 --Poor, very poor

Change in Evaluation of Bermuda from Past to Present (calculated from above responses):
- 28% --Worse
- 55 --Same
- 16 --Better

Change in Evaluation of Bermuda from Present to Future (calculated from above responses):
- 27% --Worse
- 55 --Same
- 18 --Better

Respondents who did not answer these questions have been eliminated from the comparisons. Totals do not necessarily add down to 100 because of rounding errors.

TABLE III.4 Personal Quality of Life and Freedom

ALL BERMUDIANS

Your quality of life compared to that of other Bermudians:
- 7% --Much better
- 31 --Better
- 56 --Same
- 2 --Worse

The amount of freedom and independence in your life:
- 27% --Excellent
- 46 --Good
- 18 --Fair
- 8 --Poor, very poor

Totals do not necessarily add down to 100 because some respondents did not answer.

TABLE IV.1 The Best and Worst of Living in Bermuda

	ALL BERMUDIANS		SATISFACTION: Dissatisfied	SATISFACTION: Satisfied	RACE: Black	RACE: White
	The best aspect of living in Bermuda:					
Psychic	31%	--Friendliness	31	30	31	31
Psychic	23	--Natural beauty	24	23	21	25
Psychic	10	--Personal freedom	11	10	9	10
Material	17	--Economy	9	19	15	22
Material	9	--No/low taxes	8	9	11	6
Material	6	--Security	5	6	8	2
	The worst aspect of living in Bermuda:					
	27%	--Cost of living	25	27	30	19
	18	--Small size	10	21	16	23
	14	--Housing	20	12	16	9
	6	--Drugs	3	6	6	4
	3	--Racial tension	3	3	2	5
	3	--Unemployment	5	3	5	1
	3	--Traffic	0	4	2	6

Totals do not add down to 100 because some respondents mentioned other "best" and "worst" aspects.

TABLE IV.2 How Bermudians Rate the Handling of Personal and Social Issues

ALL BERMUDIANS	ISSUE	RACE: Black	RACE: White
	Control of drug abuse:		
21%	--excellent, good	18	27
31	--fair	30	33
45	--poor, very poor	50	34
	Recreational facilities:		
24%	--excellent, good	18	35
35	--fair	35	36
38	--poor, very poor	45	27
	Control of alcohol abuse:		
25%	--excellent, good	22	31
35	--fair	39	31
36	--poor, very poor	37	34
	Outlook for youth		
24%	--excellent, good	20	45
40	--fair	43	36
34	--poor, very poor	36	17
	Labor relations:		
26%	--excellent, good	25	16
46	--fair	46	46
23	--poor, very poor	24	22
	Outlook for the elderly:		
39%	--excellent, good	36	41
35	--fair	38	31
22	--poor, very poor	23	21

ALL BERMUDIANS	ISSUE	RACE: Black	RACE: White
	Protecting the environment:		
39%	--excellent, good	35	43
41	--fair	44	36
18	--poor, very poor	18	18
	Quality of police service:		
56%	--excellent, good	47	71
29	--fair	35	19
13	--poor, very poor	15	7
	Management of the economy		
55%	--excellent, good	43	77
30	--fair	38	17
12	--poor, very poor	17	4
	Own housing conditions:		
64%	--excellent, good	61	72
23	--fair	23	22
12	--poor, very poor	15	7
	Health care available:		
62%	--excellent, good	57	72
27	--fair	32	19
9	--poor, very poor	10	7

TABLE V.1 Job Satisfaction (Asked only of Employed People)

ALL BERMUDIANS		RACE: Black	RACE: White
Rate your overall satisfaction with your job:			
86%	--Very, somewhat satisfied	84	91
14	--Somewhat, very dissatisfied	16	9
Your satisfaction with the working conditions of your job:			
81%	--Very, somewhat satisfied	77	87
19	--Somewhat, very dissatisfied	23	11
Your chances of advancement with your job:			
71%	--Very, somewhat satisfied	68	76
26	--Somewhat, very dissatisfied	28	21

Totals do not necessarily add down to 100 because a few respondents did not answer.

TABLE V.2 Perceptions of Economic Opportunity

ALL BERMUDIANS		RACE: Black	RACE: White
Are jobs that are available interesting and fulfilling for most people:			
65%	--Interesting	63	69
26	--Not interesting	29	22
Is there economic opportunity for all people in Bermuda or do some people have more advantages:			
32%	--Opportunities for all	25	44
67	--Some have advantages	74	55
Is Bermuda an open society in terms of the possibility for the average person to get ahead:			
68%	--An open society	63	78
30	--Not open	35	21

Totals do not necessarily add down to 100 because 1 to 9% of respondents did not answer.

TABLE V.3 Parents' Reports of their Children's School Experiences

	CHILDREN IN PUBLIC SCHOOLS: Black	CHILDREN IN PUBLIC SCHOOLS: White	PRIVATE SCHOOLS: All
How many hours of homework received a week:			
--Less than 3 hours	45%	23	22
--3-5 hours	30	23	7
--More than 5 hours	20	55	71
Is the amount of homework too much or not enough:			
--Too much	0	11	13
--About right	52	45	79
--Too little	39	44	0
How often do you help your children with their homework:			
--Often	50	34	50
--Sometimes	34	55	21
--Rarely	17	11	21
How is the discipline in your child's school:			
--Too strict	0	0	0
--About right	75	89	72
--Too lenient	25	11	28
How do you rate the quality of teaching in your child's school:			
--Excellent	24	45	72
--Good	51	44	28
--Fair	25	11	0
--Poor	0	0	0

These questions were asked of the 49% of adults who reported having children now in school in Bermuda. Questions were asked specifically about the oldest school child. Totals do not necessarily add down to 100 because some respondents did not answer, especially the questions about homework; and because of rounding errors.

TABLE V.4 Parents' Evaluations of the Bermudian Educational System

	CHILDREN IN PUBLIC SCHOOLS: Black	CHILDREN IN PUBLIC SCHOOLS: White	PRIVATE SCHOOLS: All
What aspect of the educational system needs most improvement:			
--Teaching	21%	22	23
--More discipline	6	11	34
--Better facilities	11	0	0
--Examinations	19	11	7
--Eliminate drugs	6	11	0
--Nothing	38	47	35
Is standardized testing too much or too little:			
--Too much	14	45	16
--The right amount	61	33	49
--Too little	20	21	7
Would you volunteer to supervise playgrounds after school hours for recreation:			
--Yes	48	68	60
--No	52	32	40

See the note to Table V.3.

Totals do not necessarily add down to 100 because of rounding errors and because a number of respondents expressed no opinions.

TABLE V.5 Problems with Alcohol

ALL BERMUDIANS		RACE: Black	RACE: White	YOUTHS 15-21: Black	YOUTHS 15-21: White	ADULTS 21-40: Black	ADULTS 21-40: White	ADULTS 41+: Black	ADULTS 41+: White
When you drink, how often do you get drunk:									
3	--Frequently, regularly	3	3	2	4	2	5	5	1
16	--Occasionally, sometimes	15	18	11	30	19	22	10	11
23	--Rarely	18	31	25	34	19	38	13	24
57	--Never	64	48	63	30	60	35	71	63
Does anyone in your household have a problem with alcohol:									
4	--Yes	4	3	5	7	3	4	3	1
95	--No	95	96	94	90	94	94	97	98
Have you ever been drinking and driving at the same time:									
14	--Yes	11	19	9	18	13	27	10	12
85	--No	88	80	89	82	87	72	88	86
YOUTH ONLY									
Do any of your friends have a problem with alcohol:									
12	--Most or some	12	11	QUESTION NOT ASKED OF ADULTS					
21	--A few	20	23						
66	--None	65	66						

Totals do not necessarily add down to 100 because a few respondents did not answer.

TABLE V.6 Problems with Drugs and Attitudes about Criminal Penalties

YOUTH ONLY		RACE: Black	RACE: White	YOUTHS 15-21: Black	YOUTHS 15-21: White	ADULTS 21-40: Black	ADULTS 21-40: White	ADULTS 41+: Black	ADULTS 41+: White
Does anyone in your houshold have a problem with drugs:									
2	--Yes	3	1	QUESTIONS NOT ASKED OF ADULTS					
97	--No	97	97						
Do any of your friends have problems with drugs:									
15	--Most or some	14	11						
20	--A few	20	24						
63	--None	63	63						
ALL BERMUDIANS									
Do you think that penalties for personal illegal drug use should be changed:									
10	--Decreased	12	6	11	17	12	6	11	4
32	--Remain the same	32	33	35	37	37	39	26	27
55	--Increased	53	58	51	43	50	51	57	68
Do you think that penalties for illegal drug pushing should be changed:									
3	--Decreased	4	2	9	6	4	1	4	1
13	--Remain the same	13	12	9	14	19	16	10	8
81	--Increased	80	85	81	78	75	81	86	92

Totals do not necessarily add down to 100 because a few respondents did not answer.

TABLE V.7 Youths' Reasons Why People They Know Drink Too Much and Use Drugs

Reason:	Youths Answering "Always" or "Most of the time" All youth	Blacks	Whites
Excitement			
Fun	45	45	49
Feel good about life	37	42	29
Rebellious, daring	35	39	34
Exciting	35	39	31
Escape			
Unhappy	34	39	22
Boredom	33	35	35
Nothing better to do	29	33	27
Nothing to look forward to	25	30	15
Friends			
Peer pressure	43	48	38
Closer to friends	26	30	20
Problems			
Family fight	21	24	17
Problems in school	16	17	15
Anti-school	12	15	10

Respondents were asked about each reason separately and often agreed with many of them.

TABLE VI.1 Bermuda's Economic Problems and How to Resolve Them

ALL BERMUDIANS

What is the one most important economic problem facing Bermuda:

35% --Housing
23 --Cost of living
8 --Tourism
5 --Drugs
5 --Unemployment
22 --Other

What is the best way to resolve to solve this problem:

36% --Lower prices
11 --Build houses
5 --Bermudianization
7 --Community solutions
41 --Others

a. Non-economic, non-political solutions, "we should look out for one another," "everyone should help," etc.

Totals do not necessarily add to 100 because of rounding errors.

TABLE VI.2 The Need for Recreational Facilities

ALL BERMUDIANS

What additional recreational facilities should be available in Bermuda:

32% --There are enough
25 --Youth centre
17 --Parks
9 --Sports complex
9 --Swimming
3 --Amusement parks
5 --Others

Do you favor keeping Bermuda's open spaces as they are or developing them for recreational purposes:

65% --As they are
31 --For recreation

Totals do not necessarily add to 100 because some respondents did not answer.

TABLE VI.3 Solutions for the Traffic Problem?

ALL BERMUDIANS (ADULTS ONLY)

What causes the traffic problem:

32% --Too many cars
32 --Bad driving habits
34 --Both

Further restrictions on car ownership to control the traffic problem:

64% --Favor
31 --Oppose

THE FOLLOWING QUESTIONS WERE ASKED ONLY OF THE 76% OF RESPONDENTS WHO USE A PRIVATE VEHICLE TO GO TO HAMILTON REGULARLY.

If bus service was cheaper would you use it instead of your vehicle:

11% --Definitely
19 --Probably
68 --Probably or definitely not

If there were a charge for street parking in Hamilton, would you use the bus:

10% --Definitely
19 --Probably
69 --Probably or definitely not

If there were a charge for street parking in Hamilton, would you start using a carpool:

9% --Definitely
27 --Probably
62 --Probably or definitely not

Totals do not necessarily add down to 100 because a few respondents did not answer.

TABLE VI.4 Concern about Crime

ALL BERMUDIANS (adults only)

How would you describe the crime rate in your neighborhood:

8% --Very high, above average
27 --Average
25 --Below average
39 --Very low

How has the amount of crime changed in your neighborhood in the past few years:

26% --Increased
63 --Remained the same
6 --Decreased

Who has more responsibility for the prevention of crime in a neighborhood:

38% --Residents
18 --Police
42 --Both residents and police

Totals do not necessarily add down to 100 because a few respondents did not answer.

TABLE VII.1 Interracial [illegible]ing and Perceptions of Prejudice

ALL BERMUDIANS	RACE Black	RACE White	YOUTHS 15-21 Black	YOUTHS 15-21 White	ADULTS 21-40 Black	ADULTS 21-40 White	ADULTS 41+ Black	ADULTS 41+ White
Do you socialize only or mainly with people of your own race, equally with both, or mostly with others:								
4% --Only own race	6	3	5	1	4	4	8	2
31 --Mostly own race	29	36	24	17	30	40	29	35
62 --Both equally	64	56	68	68	63	51	63	59
2 --Mostly other	1	4	3	11	1	5	0	1
Do you think most whites are or are not racially prejudiced against blacks:								
45% --Are prejudiced	53	34	43	34	55	37	55	31
47 --Are not prejudiced	39	60	55	64	37	56	34	63
Do you think most blacks are or are not racially prejudiced against whites:								
46% --Are prejudiced	49	41	44	40	48	39	53	43
47 --Are not prejudiced	44	51	53	55	46	51	37	49

Totals do not necessarily add down to 100 because some respondents did not answer.

TABLE VII.2 The Future of Race Relations

ALL BERMUDIANS	RACE Black	RACE White	YOUTHS 15-21 Black	YOUTHS 15-21 White	ADULTS 21-40 Black	ADULTS 21-40 White	ADULTS 41+ Black	ADULTS 41+ White
Are relations between black and white children better, worse, or the same as between black and white adults:								
75% --Better	77	73	69	77	80	67	77	77
16 --Same	15	17	24	21	14	19	11	14
5 --Worse	5	4	5	3	5	5	6	4
Is there more racial prejudice among young people or among adults:								
71% --Adults	73	69	74	76	74	67	71	69
19 --Youth	17	22	20	22	18	24	15	20
5 --Same	6	3	3	1	7	2	6	4
Is it is easier for a black or a white child to get ahead in Bermudian society:								
50% --White	61	30	66	36	71	37	49	22
41 --Same	31	56	24	45	23	52	42	62
5 --Black	4	7	8	7	4	5	3	8

Totals do not neces sarily add down to 100 because some respondents did not answer.

TABLE VII.3 Problems and Progress in Race Relations

ALL BERMUDIANS	RACE Black	RACE White	YOUTHS 15-21 Black	YOUTHS 15-21 White	ADULTS 21-40 Black	ADULTS 21-40 White	ADULTS 41+ Black	ADULTS 41+ White
How much of aproblem is racial discrimination:								
16% --Very serious	21	8	11	4	30	10	16	6
44 --Somewhat serious	44	45	46	42	47	46	41	45
33 --Not very serious	30	38	39	44	18	35	39	40
5 --Not at all serious	3	8	4	6	4	9	3	8
Have race relations improved, worsened, or stayed the same over the pastfive years:								
47% --Improved	47	45	51	43	42	42	50	50
11 --Gotten worse	10	12	9	6	10	10	10	14
38 --About the same	40	37	38	46	45	39	35	33

Totals do not necessarily add down to100 because some respondents did not answer.

TABLE VIII.1 Ratings of How Government Spends Tax Money

ALL BERMUDIANS

How do you rate the way the government spends your tax money:

3%	--Excellent
28	--Good
38	--Fair
16	--Poor
9	--Very poor

Totals do not add down to 100 because some respondents did not answer.

TABLE VIII.2 Orientations Toward Government

ALL BERMUDIANS		RACE		YOUTHS 15-21		ADULTS 21-40		ADULTS 41+		FAMILY INCOME		
		Black	White	Black	White	Black	White	Black	White	<$15,000	$15-25,000	$25,000+
22%	Participants	17	37	18	37	16	35	15	41	15	25	25
44	Citizens	43	44	39	34	48	52	43	40	36	47	46
34	Cynics	41	18	43	28	36	13	42	19	48	28	29

"Participants" are respondents who agreed with two or less of the nine questions expressing skepticism about government and politics.

"Citizens" are respondents who agreed with three to five of the nine questions.

"Cynics" are respondents who agreed with six or more of the nine questions.

Respondents who did not answer most of the questions are deleted.

Totals do not necessarily add down to 100 because of rounding errors.

TABLE VIII.3 Support for Five Types of Political Action

ALL BERMUDIANS

Signing petitions:

82%	--Approve of signing petitions
79%	--Productive way of bringing about change
47%	--Report they have participated in the last 10 years

Non-violent demonstrations:

73%	--Approve of non-violent demonstrations
73%	--Productive way of bringing about change
20%	--Report they have participated in the last 10 years

Boycotts:

56%	--Approve of boycotts
65%	--Productive way of bringing about change
15%	--Report they have participated in the last 10 years

Damaging property (for political purposes):

5%	--Approve of damaging property
12%	--Productive way of bringing about change
2%	--Report they have participated in the last 10 years

Violent activity (for political purposes):

6%	--Approve of violent activity
13%	--Productive way of bringing about change
3%	--Report they have participated in the last 10 years

Only positive answers are listed here. Almost all other disapproved, thought the tactic was unproductive, or said that they have not participated. Between 1 and 7% of respondents did not answer each question.

Printed in Bermuda by The Bermuda Press Ltd.

PRIME MINISTER'S TELEPHONE CALL TO

PRIME MINISTER SWAN

MONDAY 30 APRIL

POINTS TO MAKE

- DELIGHTED TO SPEAK TO YOU AGAIN.

  REMEMBER WITH GREAT PLEASURE YOUR VISIT TO

  No.10 IN FEBRUARY.

- THIS IS A HAPPY AND AUSPICIOUS OCCASION.

  THE ENTRY INTO OPERATION OF THE NEW CABLE AND

  WIRELESS EARTH STATION IS AN IMPORTANT STEP IN

  THE DEVELOPMENT OF BERMUDA'S INTERNATIONAL

  TELECOMMUNICATIONS LINKS.

  EFFICIENT TELECOMMUNICATIONS ARE VITAL TO THE

/ECONOMIC

ECONOMIC GROWTH AND PROSPERITY OF ANY COMMUNITY, A FACT WHICH I KNOW IS FULLY RECOGNISED BY THE GOVERNMENT OF BERMUDA.

- IT IS PARTICULARLY GRATIFYING THAT TWO BRITISH FIRMS ARE ASSOCIATED WITH THIS DEVELOPMENT: CABLE AND WIRELESS AS THE INTERNATIONAL OPERATOR AND MARCONI COMMUNICATIONS SYSTEMS AS THE SUPPLIER OF THE EARTH STATION.

- CABLE AND WIRELESS HAVE PROVIDED INTERNATIONAL TELECOMMUNICATION SERVICES IN BERMUDA SINCE 1890.

/THE

THE COMPANY HAVE THEREFORE PLAYED A VALUABLE PART IN THE HISTORY OF BERMUDA OVER THE LAST 100 YEARS. AND THIS YEAR WE ARE ESPECIALLY CONSCIOUS OF THE TERRITORY'S HISTORY AS 1984 SEES THE 375TH ANNIVERSARY OF THE SETTLEMENT OF BERMUDA.

- I KNOW THAT THE BERMUDAN PEOPLE WILL BE LOOKING FORWARD TO THE PARTICIPATION OF HRH PRINCESS MARGARET IN THE ANNIVERSARY CELEBRATIONS IN OCTOBER.

BERMUDA HAS MUCH TO CELEBRATE: IT IS AN EXAMPLE TO THE REST OF THE WORLD OF HOW A SMALL TERRITORY CAN, BY SOUND ECONOMIC MANAGEMENT AND ADHERANCE TO DEMOCRATIC GOVERNMENT, SECURE FOR ITSELF AN ENVIABLE PROSPERITY. /IN

- IN THIS ANNIVERSARY YEAR I WOULD LIKE THEREFORE TO EXTEND, ON BEHALF OF ALL OF US IN THE UNITED KINGDOM, OUR HEARTFELT CONGRATULATIONS TO THE PEOPLE OF BERMUDA ON THEIR ACHIEVEMENTS AND OUR WARM WISHES FOR A HAPPY AND PROSPEROUS FUTURE.

- THE UNITED KINGDOM HAS ALWAYS ENJOYED CLOSE AND FRIENDLY RELATIONS WITH BERMUDA; THE OPENING OF THIS NEW EARTH STATION, BY FURTHER IMPROVING COMMUNICATIONS BETWEEN US WILL PLAY A PART IN ENSURING THAT THESE LINKS REMAIN STRONG IN THE FUTURE.

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
Telephone (Direct dialling) 01-215) 5422
GTN 215)
(Switchboard) 215 7877

PS/
Secretary of State for Trade and Industry

David Barclay Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

26 April 1984

Dear David,

INAUGURATION OF CABLE AND WIRELESS EARTH STATION IN BERMUDA

File with DB

I attach briefing for the Prime Minister's telephone call to Premier Swan on 30 April. As you have been dealing direct with C&W on the arrangements, I assume that there is nothing more that you require from this Department but please let me know if there is any further way in which we can help.

2 I am copying this letter and enclosures to Peter Rickets (FCO).

Yours ever,

Andrew Lansley

ANDREW LANSLEY
Private Secretary

JT

PRIME MINISTER'S TELEPHONE CALL TO PRIME MINISTER SWAN ON 30 APRIL 1984

POINTS TO MAKE

~~LINE TO TAKE~~

Delighted to ~~have this opportunity to speak directly to Premier Swan in Bermuda.~~ speak to you again. Remember with great pleasure your visit to No 10 in February ~~Recall the valuable discussion with him at No 10 on 28 February, his second visit to London since becoming Premier.~~

This is ~~an~~ a happy and auspicious occasion. The entry into operation of the new Cable and Wireless earth station is an important step in the development of Bermuda's international telecommunications links. Efficient telecommunications are vital to the economic growth and prosperity of any community, a fact which I know is fully recognised by the Government of Bermuda.

It is particulary gratifying that two British firms are associated with this development: Cable and Wireless as the international operator and Marconi Communications Systems as the supplier of the earth station.

Cable and Wireless have provided international telecommunication services in Bermuda since 1890. The company have therefore played a valuable part in the history of Bermuda over the last 100 years. And this year we are especially conscious of the territory's history as 1984 sees the 375th anniversary of the settlement of Bermuda.

I know that ~~its~~ the Bermudan people will be looking forward to the participation of HRH Princess Margaret in the anniversary celebrations in October. Bermuda has much to celebrate: it is an example to the rest of the world of how a small territory can, by sound economic management and adherance to democratic government, secure for itself an enviable prosperity.

JT

In this anniversary year I would like therefore to extend, on behalf of all of us in the United Kingdom, our heartfelt congratulations to the people of Bermuda on their achievements and our warm wishes for a happy and prosperous future.

The United Kingdom has always enjoyed close and friendly relations with Bermuda: the opening of this new earth station, by ~~facilitating~~ further improving communications between us, will play a part in ensuring that these links remain strong in the future.

"Points to Make" and a background note are attached.

DMB 27/4

MR BARCLAY

PRIME MINISTER

You have agreed to take part in the inauguration ceremony of the new Cable and Wireless Earth Station in Bermuda, on Monday evening.

The ceremony will consist of a live televised telephone conversation between yourself and Premier Swan at 21.35. A special telephone and a television set are being installed in the White Room for the occasion. In addition to a BBC camera crew there will be two still photographers present throughout. It is unlikely that the ceremony will take, in total, more than 15 minutes.

A make-up girl will be available.

Content?

Iain M

IAIN R MURRAY
PRESS OFFICE

26 April 1984

ESSENTIAL FACTS

Cable and Wireless (C & W) currently operate in Bermuda under 4 licences which expire between 1987 and 1994. Negotiations with the Bermuda Government for a new licence to replace the existing 4 licences are at an advanced but still sensitive stage.

2 The new earth station, which will access the INTELSAT global satellite system, is a major component of a $20m development at the company's Devonshire complex in Bermuda. Although the station is being supplied by Marconi, the technology is partly Japanese, supplied under a co-operation agreement with Mitsubishi. The project has nevertheless earned British firms nearly £2m.

3 The new complex will include an International Telephone Switching Centre, to be supplied by NEC of Japan, due to enter into service in September 1984. C & W are also discussing with AT & T of the US the possible replacement of the existing Bermuda-USA cable with an optical fibre cable system.

4 C & W state that the growth in Bermuda's international traffic combined with reducing unit costs derived from the company's heavy investment programme has enabled substantial reductions to be made in recent years to the charges for international telephones, telex and leased services. Further reductions in data leased circuit charges are planned in May 1984 to coincide with the opening of the new earth station.

MINAGN

BERMUDA: Relations May 82

10 DOWNING STREET

From the Private Secretary

24 April, 1984

I enclose a copy of a letter to the Prime Minister from the Premier of Bermuda. Unless I hear from you to the contrary, I shall assume that no further reply is necessary.

DAVID BARCLAY

R. B. Bone, Esq.,
Foreign and Commonwealth Office

010

PPS

Cable and Wireless
Public Limited Company

Mercury House Theobalds Road London WC1X 8RX
Telephone: International +441-242 4433 Switchboard 01-242 4433 Direct line 01-242
Telegrams: Cablewire London WC1X 8RX London Telex: 23181 CANDW G

RD/BCA

19th. April, 1984

Mr. D. Barclay,
10 Downing Street,
London SW1

Dear Mr. Barclay,

I enclose for your information a copy of a letter to Mr. K. Twomey of the Department of Trade and Industry regarding the Prime Minister's brief for the Bermuda Earth Station opening ceremony.

Yours sincerely,

J.S. Corris

J.S. Corris
Business Manager

Cable and Wireless
Public Limited Company

Mercury House Theobalds Road London WC1X 8RX
Telephone: International +441-242 4433 Switchboard 01-242 4433 Direct line 01-242
Telegrams: Cablewire London WC1X 8RX London Telex: 23181 CANDW G

RD/BCA

18th April 1984

Mr. K.Twomey
Dept. of Trade and Industry
1-19 Victoria Street
London SW1

Dear Mr Twomey,

I enclose information in respect of Cable and Wireless Bermuda for inclusion in the Prime Minister's brief for the Bermuda Earth Station opening ceremony.

I will be happy to assist if you have any questions regarding the information that has been submitted.

Yours sincerely

T.Chellew
Regional Director
Bermuda Caribbean, Central
and South America

Cable and Wireless Operations in Bermuda

CandW have provided international telecommunication services in Bermuda for almost 100 years (services commencing in 1890) and currently operate under the terms of 4 licences which expire at various times between 1987 and 1994. CandW's relations with the Bermuda Government are friendly and negotiations for a new operating licence to replace the existing 4 licences are at an advanced stage. CandW's heavy investment and consequent high quality international service are recognised as being a contributor to the Island's economic growth.

Co-axial cable systems are provided to the USA, Canada, and the British Virgin Islands. A Intelsat Standard B Earth Station provides services for NASA. A receive only satellite dish is used for the reception of broadcast services from the US Domestic Satellite System and these are distributed in Bermuda by a microwave "Multichannel Multipoint Distribution System" (MDS) developed by CandW Bermuda. The distribution system design has been recognised as a "standard" by the equipment manufacturers and also by the rapidly expanding MDS market in the USA.

The Intelsat Standard A Earth Station will be opened in April 1984 and a International Telephone Switching Centre (ITSC) is scheduled to be ready for service in September 1984. CandW has commenced discussions with ATT regarding replacement of the existing Bermuda-USA cable using an optical fibre cable system.

Services provided by CandW include international telephone, IDD being available to nearly 60 destinations, international telex, international telegraph, leased channel service and also a number of facsimile and data services.

The growth in traffic combined with reducing unit costs derived from CandW's heavy investment programme has enabled substantial reductions to be made in recent years to the charges for international telephone telex and leased circuit services at Bermuda. This reflects similar trends in the USA and the UK. Further reductions in data leased circuit charges are planned for May 1984 to coincide with the opening of the Standard A Earth Station.

The Standard A Earth Station is a major component of a $20 million development at the CandW Devonshire complex in Bermuda. The contract for a state of the art earth station was placed with Marconi Communications Systems Ltd. in early 1981. The earth station has a 97-ft diameter antenna and will access an Intelsat V satellite in a geostationary orbit 22,375 miles above the equator over the Atlantic Ocean. It is the latest in a world-wide family of forty earth stations constucted for CandW. British companies have made a substantial contribution to the earth station project and will have earned almost £2 million.

Bermuda: UK/Bermuda Relats May 82

SUBJECT

cc MASTER
OPS

Prime Minister (2)

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No: T 60A/84

Premier

The Cabinet Office
Hamilton 5-24, Bermuda
16th April, 1984.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

My Dear Prime Minister,

Thank you for your letter of 3rd April, 1984 regarding Bermuda's inclusion at the Commonwealth Heads of Government Meetings.

While disappointed, I fully appreciate the sentiments contained in your letter and understand the position taken by your Government and by the Commonwealth. It is indeed a pity that Bermuda cannot participate in these meetings, as I sincerely believe that we have much to learn and understand about the workings of independent nations.

I believe that the Minister of Finance does plan on attending the next Commonwealth Finance Ministers' Conference, and I am sure that we will be making arrangements in due course.

When we do talk on the 30th of April, I am glad that the people of Bermuda will be exposed to your customary warmth and sincerity.

Yours sincerely,

John Swan

John W. Swan
Premier

BERMUDA: Relations

May '82

Premier

The Cabinet Office
Hamilton 5-24, Bermuda
16th April, 1984.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

My Dear Prime Minister,

Thank you for your letter of 3rd April, 1984 regarding Bermuda's inclusion at the Commonwealth Heads of Government Meetings.

While disappointed, I fully appreciate the sentiments contained in your letter and understand the position taken by your Government and by the Commonwealth. It is indeed a pity that Bermuda cannot participate in these meetings, as I sincerely believe that we have much to learn and understand about the workings of independent nations.

I believe that the Minister of Finance does plan on attending the next Commonwealth Finance Ministers' Conference, and I am sure that we will be making arrangements in due course.

When we do talk on the 30th of April, I am glad that the people of Bermuda will be exposed to your customary warmth and sincerity.

Yours sincerely,

John Swan

John W. Swan
Premier

Book returned

30 April

11 April 1984

Thank you for your letter of 10 April.

The Prime Minister looks forward to the opening ceremony for the Bermuda Earth Station, and we are most grateful for all the effort which has been put in by your people so far to make the event a success. I am very sorry to say, however, that it will not be possible for the Prime Minister to autograph the book which you plan to give Mr Swan - it is not her practice to sign gifts for other Heads of Government unless she is herself the source of the gift.

The Prime Minister feels sure that you will understand the reasons for her decision.

David Barclay

Eric Sharp, Esq., C.B.E.

10 DOWNING STREET

Mr Coles

It would seem to me wrong for the PM to autograph a bath which Mr Sharp will be presenting to Mr Swan as a personal gift.

Agree?

Mr. Darling.

Yes – if she insists that it is personal, she cannot.

AL 07/4.

Davis 10/4

CABLE AND WIRELESS PUBLIC LIMITED COMPANY

MERCURY HOUSE · THEOBALDS ROAD · LONDON WC1X 8RX · TELEPHONE 01-242 4433 · LONDON TELEX 23181 CANDW G

Eric Sharp C.B.E.
Chairman & Chief Executive

10th April 1984

Mr. David Barclay,
Private Secretary,
10 Downing Street,
LONDON. SW1

Dear D. Barclay

I understand from Mr. Chellew that the arrangements are well in hand for the opening of the Bermuda Earth Station. At the opening ceremony of the Earth Station, I intend to present an official gift to Mr. Swan which will be 13 video programmes on information technology. The Premier will be giving a dinner in my honour and I intend to give Mr. Swan a personal gift of a book marking the occasion.

I know that Mr. Swan would be extremely pleased if the book was autographed by the Prime Minister and I would much appreciate if you would ask the Prime Minister for an appropriate inscription in the attached book.

With all good wishes

Yours sincerely

Eric Sharp

REGISTERED NUMBER 238525 ENGLAND
REGISTERED OFFICE MERCURY HOUSE THEOBALDS ROAD LONDON WC1X 8RX

Subject

File
cc FCO

cc Master
OPS

10 DOWNING STREET

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T52/84

THE PRIME MINISTER

5 April 1984

Dear Prime Minister

Thank you for your letter of 19 March about the possibility of Bermudan representation at the final Conference of the United Nations Decade for Women to be held in Nairobi next year.

We would be pleased to include a representative of the Government of Bermuda in our delegation. The detailed arrangements can be made through our usual channels.

I regret, however, that it would be difficult for us to include a representative of the Bermuda Business and Professional Women's Association. There are in the United Kingdom many similar Non-Governmental Organisations, holding various and often opposing views, which would welcome the opportunity to be included in the delegation. As I am sure you will appreciate the size of our delegation must be kept to manageable proportions and for this reason we have no plans to include any representatives of Non-Governmental Organisations.

There is perhaps another and more appropriate way in which Bermudan Non-Governmental Organisations might make their views known to those participating in the Conference. The Kenyan Government has announced its intention of holding an International Non-Governmental Organisation Forum in Nairobi beginning the week before and overlapping briefly with the International Women's Conference. I understand that it is open to any organisation to apply to attend although as yet, no details have been announced.

Warm regards,

Margaret Thatcher

The Honourable J. W. Swan, J.P., M.P.

10 DOWNING STREET

(CD)
- to arrange transmission of top copy. pse
cc PS
WIAD
A 3/4

THE PRIME MINISTER

3 April 1984

Thank you for your letter of 7 March about your recent visit to London. It was a great pleasure to see you again.

I have considered most carefully your suggestion that you should attend Commonwealth Heads of Government Meetings as an observer. But having looked at all the precedents and the implications, I have come, most reluctantly, to the conclusion that we shall not be able to secure the Commonwealth's agreement to this. By long-standing convention, attendance at such meetings is limited to the Heads of Government of independent sovereign member states of the Commonwealth (Foreign Ministers participate either as members of their Heads of Government's delegation or when deputising for them). Earlier requests for attendance from territories which have not achieved full independence have been turned down. I am afraid that there would be a similar response to your own suggestion and in those circumstances I think it better not to make the request. I am so sorry - because I have much sympathy with your wish.

This does not, of course, exclude the possibility of Bermudan representatives attending other Commonwealth meetings as members of the United Kingdom delegation. As you will

/ know

Now, Bermuda has been represented at recent Commonwealth Finance Ministers' meetings. We shall be happy to continue this arrangement in future if you let us know well in advance.

I look forward to talking with you again in connection with the inauguration of the new Cable and Wireless Earth Station on 30 April.

Kind regards,

Yours sincerely,

Lowell Darrell

The Honourable J. W. Swan, J.P., M.P.

cc PC

Foreign and Commonwealth Office

London SW1A 2AH

3 April 1984

Type letter pl.

A.J.C. 4/4

Dear John,

International Women's Conference: Bermudan Attendance

Thank you for your letter of 26 March enclosing a copy of the Premier of Bermuda's letter to the Prime Minister, raising the question of the inclusion of representatives from Bermuda in the UK delegation to this Conference.

I enclose a draft reply to Premier Swan for signature by the Prime Minister. The draft is largely self-explanatory. But in view of Len Appleyard's letter of 30 March about Premier Swan's request that Bermuda should be permitted to attend Commonwealth Heads of Government Meetings, you may care to note that, unlike GHOCM, there are precedents for dependent territory representation at conferences such as these: a member of the Hong Kong Government formed part of the UK delegation to the United Nations World Assembly on Ageing, for example. We would not expect our agreement to Bermudan representation to lead to similar requests from other dependent territories.

As you will see in the proposed draft reply, we are suggesting that whilst a Bermuda Government representative would be welcome, the inclusion of a representative from a Bermuda Non-Governmental Organisation would present problems for us. A number of NGOs and individuals in this country have made similar requests which have been resisted. We have pointed out to these applicants that we hope our own delegation will include our representative to the United Nations Commission on the Status of Women, Baroness Gardner of Parkes, who has been a member of Non-Governmental Organisations and keeps in close touch with them.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

A J Coles Esq
10 Downing Street

Bermuda relations

May 82

DSR 11 (Revised)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM: Prime Minister

Reference

DEPARTMENT: TEL. NO:

SECURITY CLASSIFICATION

Top Secret
Secret
Confidential
Restricted
Unclassified

TO: Hon J W Swan JP MP
Premier
The Cabinet Office
Hamilton
Bermuda

Your Reference

Copies to:

PRIVACY MARKING

.....In Confidence

CAVEAT.....

SUBJECT:

Thank you for your letter of 19 March about the possibility of Bermudan representation at the final Conference of the United Nations Decade for Women to be held in Nairobi next year.

We would be pleased to include a representative of the Government of Bermuda in our delegation, the detailed arrangements can be made through our usual channels. ~~although I am afraid that we shall have to ask your Government to meet the costs involved~~.

I regret however that it would be difficult ~~will not be possible~~ for us to include a representative of the Bermuda Business and Professional Women's Association. There are in the United Kingdom many similar Non-Governmental Organisations, holding various and often opposing views, which would welcome the opportunity to be included in the delegation. As I am sure you will appreciate the size of our delegation must be kept to manageable proportions and for this reason we have no plans to include any representatives of Non-Governmental Organisations.

Enclosures—flag(s).....

/There

There is perhaps another and more appropriate way in which Bermudan Non-Governmental Organisations might make their views known to those participating in the Conference. The Kenyan Government has announced its intention of holding an International Non-Governmental Organisation Forum in Nairobi beginning the week before and overlapping briefly with the International Women's Conference. I understand that it is open to any organisation to apply to attend although, as yet, no details have been announced.

AR 4/4.

SUBJECT

cc OPS Master

SH

10 DOWNING STREET

THE PRIME MINISTER

3 April 1984

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T50/84

My dear Premier,

Thank you for your letter of 7 March about your recent visit to London. It was a great pleasure to see you again.

I have considered most carefully your suggestion that you should attend Commonwealth Heads of Government Meetings as an observer. But having looked at all the precedents and the implications, I have come, most reluctantly, to the conclusion that we shall not be able to secure the Commonwealth's agreement to this. By long-standing convention, attendance at such meetings is limited to the Heads of Government of independent sovereign member states of the Commonwealth (Foreign Ministers participate either as members of their Heads of Government's delegation or when deputising for them). Earlier requests for attendance from territories which have not achieved full independence have been turned down. I am afraid that there would be a similar response to your own suggestion and in those circumstances I think it better not to make the request. I am so sorry - because I have much sympathy with your wish.

This does not, of course, exclude the possibility of Bermudan representatives attending other Commonwealth meetings as members of the United Kingdom delegation. As you will

/ know

JR

know, Bermuda has been represented at recent Commonwealth Finance Ministers' meetings. We shall be happy to continue this arrangement in future if you let us know well in advance.

I look forward to talking with you again in connection with the inauguration of the new Cable and Wireless Earth Station on 30 April.

With regards,

Yours sincerely

Margaret Thatcher

The Honourable J. W. Swan, J.P., M.P.

(3)

PRIME MINISTER

Premier of Bermuda

You were reluctant to sign an earlier letter to Mr. Swan about his suggestion that he should attend CHOGM.

I have been into the whole matter again with the FCO and the attached letter is the result. I very much fear that we cannot get from the Commonwealth the answer which Mr. Swan wants - and I think it better to avoid a rebuff for him by putting the idea forward.

I therefore suggest that you sign the attached letter to Mr. Swan.

A.J.C.

2 April, 1984

ecPC

Foreign and Commonwealth Office

London SW1A 2AH

30 March 1984

Dear John,

Thank you for your letter of 23 March about the proposal by the Premier of Bermuda that he should attend meetings of Commonwealth Heads of Government.

We could indeed put Premier Swan's request to other Commonwealth countries, but doubt very much whether they would agree.

A seat at Commonwealth Prime Ministers' meetings and the subsequent meetings of Commonwealth Heads of Government has (barring the pre-1963 exception in favour of the Prime Ministers of Southern Rhodesia and the Federation of Rhodesia and Nyasaland) always been, like the title of Prime Minister, the accolade of full sovereign independence. There is no provision for observers, either from countries or organisations. This principle was in 1964 confirmed after consultations between Commonwealth Prime Ministers, and the present Commonwealth leaders may well see no reason to vary it in favour of Bermuda.

Others have indeed asked: a request for the West Indies Associated States to attend was rejected by Heads of Government in 1968; and in 1973 several dependencies - Papua New Guinea (Australia), the Seychelles and Grenada - as well as Nauru were discouraged from seeking representation or observer status. The convention also made it simpler to refuse requests from Mr Denktash (Turkish-Cypriots) in 1975 and SWAPO in 1977.

Dependent territories are often represented at other Commonwealth meetings but as part of the British delegation. The remaining Dependent territories are as follows: in the list those with an elected Premier or Chief Minister are marked with an asterisk:

*Anguilla
Ascension Island
*Bermuda
British Indian Ocean Territory
*British Virgin Islands
Cayman Islands
Falkland Islands
*Gibraltar
Hong Kong
*Montserrat
Pitcairn Islands
St Helena
Tristan da Cunha
*Turks and Caicos Islands

/Although

Although Bermuda is in rather a different league, the Chief Ministers of some at least of the other territories (notably Gibraltar and Montserrat) might wish to put forward their claims to attend. Indeed, others such as the Cayman Islands, and Hong Kong might seek to be represented.

We believe therefore that it would be undesirable to invite a rebuff from other Commonwealth Heads of Government, on behalf of the Premier of Bermuda.

May I suggest that the second paragraph of the draft letter to Premier Swan, which I enclosed with my letter of 19 March, should be amended to read as follows:

"I have given careful thought to your enquiry about the possibility of your attending Commonwealth Heads of Government meetings as an observer. I fear, however, that we are unlikely to be able to secure the agreement of the Commonwealth as a whole to this. By long-standing convention, attendance at such meetings is limited to the Heads of Government of independent sovereign member states of the Commonwealth (Foreign Ministers participate either as members of their Head of Government's delegation or when deputising for them). Earlier requests of this kind from territories which had not achieved full independence have in fact been turned down, and I am sure that you would not wish to court a rebuff from other Commonwealth leaders, should we put the request to them".

Yours ever,

Len Appleyard

(L V Appleyard)
Private Secretary

A J Coles Esq
10 Downing Street

Bermuda: Visit of Mr. Swan. May 82

cc. Sir P.C

10 DOWNING STREET

From the Private Secretary

26 March, 1984.

International Women's Conference: Bermudian Attendance

I enclose a copy of a letter from the Premier of Bermuda to the Prime Minister raising the question of the inclusion of two Bermudian delegates in the British delegation to the above Conference.

BF

I should be grateful if you could let me have an early draft reply to Mr. Swan for signature by the Prime Minister.

A.J. COLES

Peter Ricketts, Esq.,
Foreign and Commonwealth Office.

File Xb

10 DOWNING STREET

From the Private Secretary

23 March 1984

a Nudence at CHOGM, re draft

BERMUDA

Thank you for your letter of 19 March explaining the difficulties about the proposal by the Premier of Bermuda that he should attend meetings of Commonwealth Heads of Government. The Prime Minister is reluctant to reply to Mr. Swan in the terms which you propose, at least without further information. She is inclined to think that we should put his suggestion to the other Commonwealth countries. But before taking a decision on this she would like to see a rather more detailed account of the objections. In particular which other dependent territories would be likely to request similar treatment?

BF 1

I should be grateful for a reply by Friday 30 March.

AJC

Peter Ricketts Esq
Foreign and Commonwealth Office

CSR.

10 DOWNING STREET

THE PRIME MINISTER

Dear Premier Swan,

Thank you for your letter of 7 March about your recent visit to London. It was a great pleasure to see you again. I share your view that such meetings make an important contribution towards improving our understanding of our respective positions and responsibilities.

I have given careful thought to your enquiry about the possibility of your attending Commonwealth Heads of Government Meetings as an observer. I quite understand why you would like to do so. But I foresee difficulties. The accepted convention is for attendance to be limited to the Heads of Government of independent member states of the Commonwealth which have full responsibility for the conduct of their own internal and external affairs (Foreign Ministers participate either as members of their Head of Government's delegation or when deputising as leader of the delegation). No provision exists for the attendance of observers along the lines which you mentioned during our meeting of 28 February. I am not hopeful that a consensus could be achieved among Commonwealth Heads of Government to change the present practice. Surely we must put it to them.

However, this does not exclude the possibility of Bermudan representatives attending other Commonwealth meetings as members of the United Kingdom delegation. As you will know Bermuda has for example been represented at recent Commonwealth Finance Ministers Meetings. We shall be happy to continue that arrangement in future if you let us know well in advance.

/I take

I take this opportunity to extend my renewed congratulations on the 375th anniversary of the settlement of Bermuda and to wish every success for the celebrations which are being held this year to mark the event. I look forward to talking with you again in connection with the inauguration of the new Cable and Wireless earth station on 30 April.

The Honourable J W Swan, J.P., M.P.

file cc: Mr. Taylor Bcc.

MISS CHRISTOPHERSON

Inauguration of Cable and Wireless Earth Station, Bermuda

The Prime Minister has agreed to inaugurate a new Cable and Wireless Earth Station in Bermuda by means of a televised conversation with Premier Swan on the evening of 30 April.

I attach a copy of a letter from Cable and Wireless which goes into some considerable detail. The main points for us are in paragraph 4. I should be grateful to know as soon as possible whether you and Mr. Taylor think that these requirements are reasonable, and can be met.

MR P BARCLAY

21 March 1984

Cable and Wireless
Public Limited Company

Mercury House Theobalds Road London WC1X 8RX
Telephone: International +441-242 4433 Switchboard 01-242 4433 Direct line 01-242
Telegrams: Cablewire London WC1X 8RX London Telex: 23181 CANDW G

CF PPS

RD/BCA

20th March, 1984

FCO
Pass

Mr. D. Barclay,
10 Downing Street,
London, SW1

Dear Mr. Barclay,

Thank you for your letter of 15th March 1984 addressed to Mr. E. Sharp, Chairman, Cable and Wireless PLC.

I enclose a paper which details the proposed programme for the Bermuda Earth Station opening ceremony, and the arrangements for the inaugural call between the Prime Minister and Premier Swan. Some of the arrangements are dependent on further discussions with the B.B.C., and we will confirm these as soon as possible.

Please let us know if you have any comments on the arrangements for the inaugural call, and further to our telephone discussion please confirm details of the accommodation to be provided. I would appreciate your guidance on the protocol of whether Premier Swan or the Prime Minister should appear to originate the inaugural call.

I will be abroad on business from 21st March 1984 until 9th April 1984, and would be grateful if you will contact Mr. Colin Brooker with your comments or any questions that you may have.

I have copied this letter and the enclosure to Mr. K. Twomey of the Department of Trade and Industry who asked to be kept informed of developments.

Yours sincerely,

T. Chellew

T. Chellew,
Regional Director
Bermuda, Caribbean, Central & S. America

BERMUDA EARTH STATION

INAUGURATION CEREMONY

1. Introduction

This paper describes the proposed arrangements for the inaugural call to mark the opening of the Bermuda Standard 'A' Earth Station. The call is scheduled to take place between Prime Minister Thatcher and Premier Swan at 20.35 GMT on 30th April, 1984.

For ease of reference, times where appropriate are shown in Bermuda local time (BDL), Greenwich Mean Time (GMT) and British Summer Time (BST).

2. Ceremony Programme

Time			Event
BDL	GMT	BST	
17.00	20.00	21.00	Guests in position
17.10	20.10	21.10	Premier Swan arrives
17.13	20.13	21.13	Welcomes etc.
17.16	20.16	21.16	General Manager C&W Bermuda introduces C&W Chairman
17.20	20.20	21.20	C&W Chairman's Speech
17.25	20.25	21.25	Premier Swan's Speech
17.30	20.30	21.30	C&W Chairman invites Premier to unveil Plaque
17.33	20.33	21.33	Premier unveils Plaque
17.35	20.35	21.35	Inaugural Call P.M. Thatcher/Premier Swan

Coordination Timetable

The following times quoted may be varied by ± 5 mins dependent on circumstances with the exception of the inaugural call. However, times quoted should be used by all parties as definitive.

Time			Event	Parties Involved
BDL	GMT	BST		
	T.B.A.		Setting up equipment at 10 Downing St.	BBC
16.30	19.30	20.30	Setting up audio circuit.	BDA/BTI
16.40	19.40	20.40	Check inaugural call circuit (i.e. talk on line)	BDA/No. 10
16.40	19.40	20.40	Check cue circuit	BDA/BBC
16.40	19.40	20.40	Check cable circuit	BDA/No. 10
17.05	20.05	21.05	Setting up video circuit from Bermuda	BDA/BBC
17.05	20.05	21.05	Check Bermuda to UK sound programme circuit	BDA/BBC
17.10	20.10	21.10	Check Bermuda to UK video circuit	BDA/BBC
17.15	20.15	21.15	Setting up video circuit from UK	BBC/BDA
17.15	20.15	21.15	Transmit video and sound circuit from Bermuda to UK	BDA/BBC
17.20	20.20	21.20	Check UK to Bermuda video circuit	BDA/BBC
17.20	20.20	21.20	Receive video circuit from UK to Bermuda	BDA/BBC
17.34	20.34	21.34	Cue P.M. for inaugural call (P.M. to pick up telephone)	BDA/No. 10
17.35	20.35	21.35	Connect P.M. and Premier - video and audio	BDA/BBC
17.45	20.45	21.45	Disconnect inaugural video and audio circuits	BDA/BBC
17.55	20.55	21.55	Disconnect local transmission of video and audio circuits	BDA/BBC/BTI

Note 1. Mr. Colin Brooker, C&W, will be present at No. 10 Downing St. for events shown above at No. 10

Note 2. As it is hoped that video and associated audio will be available from Bermuda to No. 10 from 20.10, the P.M. can watch Premier Swan's speech at 20.25 if she so desires.

Note 3. Both directions of the inaugural video/audio will be broadcast live to an audience (approx 250 people) at Bermuda i.e. the call will not be private.

4. Arrangements at 10 Downing St.

It is required that suitable accommodation be provided for the following:

a) Standard BBC TV Camera

b) Lighting - to be advised by BBC

c) Video Screen - approx size 4 ft by 3 ft, or suitable picture monitor

d) 4 Telephones - 3 for leased circuits, 1 direct exchange line

e) A suitable comfortable chair within easy reach of the telephone handset provided for the occasion by British Telecom

f) Personnel - 1 C&W representative (Mr. Colin Brooker)
1 British Telecom Technician (Requirement to be confirmed)
3 BBC Camera/Lighting etc. crew (No. to be confirmed)

Power requirements are to be advised by the BBC.
Time of access required to No. 10 prior to the inaugural call will be confirmed, we anticipate this will be from late afternoon.
The requirement for and location of an outside brodcast van and necessary cabling into No. 10 needs to be confirmed by BBC.

For the inaugural call it is envisaged that the audio link will be over a telephone circuit with the P.M. having available a screen on which a live TV picture of Premier Swan will be displayed. If possible we intend that the picture to be transmitted back to Bermuda will show the P.M. talking on the telephone whilst looking at Premier Swan on the screen. The audience in Bermuda will watch the proceedings on TV monitors.

5. Circuit Requirements

a) Audio Circuits

1 Voice Grade circuit via Satellite to carry speech for inaugural call. Circuit to be equipped with echo suppressors and to be available from 19.30 GMT to 21.00 GMT. This circuit to be a point to point leased circuit terminating at No. 10.

1 Voice Grade circuit via Satellite for video cueing purposes. Circuit to be equipped with echo suppressors and to be available from 19.30 GMT to 21.00 GMT. This circuit to be a point to point leased circuit to be terminated primarily at the BBC studio but to be extendable at short notice to No. 10 in the event of failure of the inaugural call circuit.

1 Voice Grade circuit via trans Atlantic Cable routing (i.e. diverse path). Circuit to be equipped with echo suppressors and be available from 19.30 GMT to 21.00 GMT. This circuit to be a point to point leased circuit terminating at No. 10.

1 associated video - sound programme circuit from Bermuda to No. 10 to be used for transmitting the audio events of the ceremony back to the studio and No. 10.

These circuits to be provided by BTI/BT and will be booked as soon as possible.

b) Video Circuits

1 Video circuit for transmit from Bermuda (525 NTSC) extended to No. 10 via the BBC studio, to be available from approx 20.05 GMT. Conversion from 525 to 625 (NTSC to PAL) is required in UK, presumably at BBC studio.

1 Video circuit as above for transmit from No. 10 to Bermuda, to be available from 20.15 GMT. Conversion PAL to NTSC is again required at BBC London studio.

Space segments have been booked with INTELSAT for 1 transmit and 1 receive video circuit between 20.15 GMT and 20.55 GMT.

Bermuda is endeavouring to bring forward the initial transmit time available from INTELSAT for Bermuda transmit video circuit to approx 20.05.

6. TV Standards Conversion

Conversion is required at London Studio for NTSC to PAL and PAL to NTSC. Provision of necessary converters to be confirmed with BBC.

7. Contingency Arrangments (Circuits)

a) Failure of inaugural call circuit (audio)

In this event audio will be via the cue circuit. Video will still be available using this circuit.

b) Failure of inaugural and cue circuits (audio)

In this event video will be suspended and the cable circuit used for bothway audio only.

c) Failure of all pre-arranged circuits

In this event bothway audio to be established on a dialled basis using the public switched telephone network. For this contingency to be effected a telephone number will be needed for a telephone located in or near the room being used within No. 10.

8. Video Taping Requirements

BBC in London and ZBM in Bermuda are required to provide a video tape recording of the inaugural call.

9. Personnel/Contact Numbers.

a) Cable & Wireless London - PABX 01-242-4433

T. Chellew - Regional Director (BDA from 26/4)		Ext. 4792
C. Brooker - Regional Business Manager		Ext. 4016
J. Corris - Business Manager		Ext. 4202
N. Hunter - Public Relations		Ext. 4486
R. Brooks - Ceremony Coordinator (BDA from 15/4)		Ext. 4514
A. McFadzen - Operations Coordinator		Ext. 4283

b) Cable & Wireless Bermuda

J. Davenport - General Manager	+1-809-295-4777	Ext. 201
J. Driscoll - Engineering Manager Transmission	+1-809-295-4377	Ext. 202
J. Tibbles - Engineering Manager Operations	"	Ext. 260
R. Brooks - Ceremony Coordinator (BDA from 15/4)	"	Ext. 202

c) British Telecom International

D. Goldsworthy	01-936-4350

d) BBC - International Unit

D. Lackersteen	01-576-1173
P. Janes	01-576-1173

20th March, 1984.

Subject cc Master Opr.

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 43 A/84

Premier

The Cabinet Office
Hamilton 5-24, Bermuda
19th March, 1984.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

CC 26/3

Dear Prime Minister,

During our discussions in London, I raised with you the possibility of the inclusion of at least one Bermudian delegate to attend the International Women's Conference to be held in 1985, as part of the British delegation. At that time it was not possible for you to give me an immediate response.

Female participation in the Bermudian work force is perhaps the highest in the world at approximately 75%. In addition, approximately 50% of all professional and technical positions in Bermuda are held by women. It is therefore the wish of my Government that women in Bermuda be able to participate in a conference which would discuss the role of women in society. Accordingly, I would ask that Her Majesty's Government allow for a representative of the Bermuda Business and Professional Women's Association to be invited, along with one nominee of the Government of Bermuda, as observers. The inclusion of a non-Governmental person would, I believe, facilitate us in the goal of continuing to build a fundamentally fair and free society.

I thank you for your consideration in this matter.

Yours sincerely,

John Swan

John W. Swan
Premier

Bermuda : Relations : May 82

Foreign and Commonwealth Office

London SW1A 2AH

19 March 1984

GR

Proc type for PM's sig.

D 19/3

Dear John,

Bermuda

As requested in your letter of 13 March I enclose a self-explanatory draft reply for the Prime Minister's signature to the Premier of Bermuda's letter of 7 March in which he referred again to his wish to attend Commonwealth Meetings of Heads of Government as an observer.

As you know, during his meeting with the Prime Minister of 28 February Mr Swan said that he would find it helpful to attend such meetings, not in order to participate in the discussions but to take the opportunity of meeting Commonwealth colleagues.

Our view is that Mr Swan's attendance either independently or as a member of the UK delegation at Commonwealth Heads of Government Meetings would erode the existing convention governing participation in such meetings. Moreover, if we attempted to include representatives of dependent territories in our delegation on such an occasion, other Heads of Government might well object. We have ourselves objected when there have been similar suggestions by other Commonwealth members (eg in 1981 Malaysia wished to include a representative of Brunie in its delegation). There is also the point that if we agreed to Mr Swan's request other dependent territories would probably want similar treatment.

/However

However the criteria for deciding dependent territory representation at other Commonwealth meetings are less exacting and, provided that we are given due warning, we are normally able to provide for appropriate representation (usually with adviser states) of the dependent territories concerned within the UK delegation. For instance Bermuda's Minister of Finance has been part of the British delegation to recent Commonwealth Finance Ministers' Meetings.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

A J Coles Esq
10 Downing Street

DSR 11 (Revised)

DRAFT: ~~minute~~/letter/~~telletter/despatch/note~~

TYPE: Draft/Final 1+

FROM:

The Prime Minister

DEPARTMENT: TEL. NO:

Reference

SECURITY CLASSIFICATION

Top Secret
Secret
Confidential
Restricted
Unclassified

TO:

The Hon J W Swan JP MP
Premier
The Cabinet Office
HAMILTON
Bermuda

Your Reference

Copies to:

PRIVACY MARKING

.....In Confidence

CAVEAT.....

SUBJECT:

Thank you for your letter of 7 March about your recent visit to London. It was a great pleasure to see you again. I share your view that such meetings make an important contribution towards improving our understanding of our respective positions and responsibilities.

I have given careful thought to your enquiry about the possibility of your attending Commonwealth Heads of Government Meetings as an observer. I quite understand why you would like to do so. But I foresee difficulties. The accepted convention is for attendance to be limited to the Heads of Government of independent member states of the Commonwealth which have full responsibility for the conduct of their own internal and external affairs (Foreign Ministers participate either as members of their Head of Government's delegation or when deputising as leader of the delegation). No provision exists for the attendance of observers along the lines which you mentioned during our meeting of 28 February. I am not hopeful that a consensus could be achieved among Commonwealth Heads of Government to change the present practice.

Enclosures—flag(s).....

/However,

56-ST Dd8303048 2/82 APL

BERMUDA: Relations May 82

However, this does not exclude the possibility of Bermudan representatives attending the Commonwealth meetings as members of the United Kingdom delegation. As you will know Bermuda has for example been represented at recent Commonwealth Finance Ministers Meetings. We shall be happy to continue that arrangement in future if you let us know well in advance.

I take this opportunity to extend my renewed congratulations on the 375th anniversary of the settlement of Bermuda and to wish every success for the celebrations which are being held this year to mark the event. I look forward to talking with you again in connection with the inauguration of the new Cable and Wireless earth station on 30 April.

19 MAR 1984

10 DOWNING STREET

From the Private Secretary

15 March 1984

I wrote to you on 2 March about the Prime Minister's decision to take part in a televised link to mark the inauguration of the new Cable & Wireless earth station in Bermuda. I asked you to let us have further details of the event as soon as possible.

We have now heard directly from Cable & Wireless (correspondence enclosed). In the circumstances, it seems more straightforward for Cable & Wireless to deal directly with us on the arrangements, although I shall of course keep you informed as well - I am afraid - as asking you to provide the necessary briefing.

(David Barclay)

Andrew Lansley, Esq.,
Department of Trade and Industry.

NR

dcvc

10 DOWNING STREET

From the Private Secretary

15 March 1984

The Prime Minister has asked me to thank you for your letter of 12 March. She looks forward very much to taking part in the opening ceremony for the Bermuda Earth Station on 30 April.

I should be most grateful if Mr. Chellew could make contact with me in the first instance about the detailed arrangements. He can reach me on 01-930 4433. The No. 10 Press Office, and the Department of Trade and Industry, will also of course need to be involved as things develop.

I look forward to hearing from Mr. Chellew or one of his colleagues as soon as possible.

(David Barclay)

Eric Sharp, Esq., C.B.E.

CABLE AND WIRELESS PUBLIC LIMITED COMPANY

MERCURY HOUSE · THEOBALDS ROAD · LONDON WC1X 8RX · TELEPHONE 01-242 4433 · LONDON TELEX 23181 CANDW G

Eric Sharp C.B.E.
Chairman & Chief Executive

Mr. Barclay

Will you handle pl?

A.J.C. 14/3

12th March 1984

The Rt. Hon. Margaret Thatcher, MP.,
Prime Minister,
10 Downing Street,
LONDON. SW1

Dear Prime Minister

May I say how pleased I was to hear from Premier Swan of Bermuda that you have kindly agreed to take part in the opening ceremony for the Cable and Wireless Bermuda Earth Station on Monday 30th April 1984. The occasion will take the form of a televised conversation between Premier Swan and yourself in your home during the evening.

Your participation will create international interest in the event and emphasise the role of my Company in introducing new technology into Bermuda, underlining Her Majesty's Government's support for British industry abroad.

The detailed arrangements for the opening ceremony will need to be confirmed as soon as practicable and I would be grateful if I could be advised of the name of the person in your office who will be responsible. For Cable and Wireless Mr.T. Chellew, our Regional Director for Bermuda and the Caribbean, will organise matters. In his absence, Mr. C. Brooker or Mr. J. Corris will be able to provide assistance.

Yours sincerely

Eric Sharp

REGISTERED NUMBER 238525 ENGLAND
REGISTERED OFFICE MERCURY HOUSE THEOBALDS ROAD LONDON WC1X 8RX

Bermuda: visit of Mr Swan
5/82

10 DOWNING STREET

From the Private Secretary

13 March, 1984

BERMUDA

I enclose a copy of a letter which the Prime Minister has received from the Premier of Bermuda.

You will see that Mr. Swan refers again to his wish to attend Commonwealth meetings as an observer. This idea was mentioned in my letter of 26 February reporting the conversation which took place when Mr. Swan called on the Prime Minister. I should be grateful if you could let me have an early draft letter to him, for signature by the Prime Minister, commenting on it.

A. J. COLES

P. Ricketts, Esq.,
Foreign and Commonwealth Office

SUBJECT

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 37A1/84

cc Parts
+
Ops

Premier

The Cabinet Office
Hamilton 5-24, Bermuda
7th March, 1984.

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

13/3

My Dear Prime Minister,

It was a great pleasure to see you again. As usual, I was accorded a very warm and cordial reception.

As you know, Bermuda has, over the past 375 years, become a sophisticated society. We have much to contribute, and equally have much to learn. For these reasons, we look forward to close links with the member nations of the Commonwealth, not only regionally, but globally. Accordingly, I would value the opportunity to attend the Commonwealth meetings of Prime Ministers and Foreign Ministers, as an observer. I am, therefore, grateful for the undertaking you gave me to examine this matter.

My discussions with you were most fruitful, and have, I believe, led to a much better understanding of our respective positions and responsibilities.

The Secretary to the Cabinet and I were most taken by your comment that leadership offers a special opportunity for so few, and should therefore be cherished. I have reflected on this sentiment and wholeheartedly agree with you. As I continue my term in office, and bear the responsibilities of Government, I know this will provide great encouragement to uphold the ideals of democracy and freedom for mankind.

Once again, I thank you most kindly for your understanding.

Yours sincerely,

John Swan

John W. Swan
Premier

6

10 DOWNING STREET

From the Private Secretary

2 March 1984

Thank you for your letter of 20 February about the possibility that the Prime Minister might be involved in the inauguration of the new Cable and Wireless Earth Station in Bermuda.

As I told you over the telephone the Prime Minister agreed to take part in a televised link to mark this occasion, in the course of her meeting with the Premier of Bermuda on 28 February. We are accordingly reserving a space in the Prime Minister's diary on the evening of 30 April.

BF

I should be grateful if you could let us have further details of the event, and in particular the proposing timing, as soon as possible. We shall need to bear in mind the risk that the Prime Minister may have to vote if there is a three-line whip that evening.

I am sending a copy of this letter to Peter Ricketts (Foreign and Commonwealth Office).

David Barclay

Andrew Lansley Esq
Department of Trade and Industry.

CONFIDENTIAL

SH.

file

10 DOWNING STREET

From the Private Secretary

28 February, 1984

Dear Peter,

Premier of Bermuda

The above called on the Prime Minister this morning. I enclose a copy of the record.

After the meeting, the Secretary to the Bermuda Cabinet, who was present, asked whether I could let him have a copy of the record for Mr. Swan's use in Bermuda. I have no objection to this - but I should be grateful if you could satisfy yourself that there is nothing in the enclosure which could embarrass us if it came into Bermudan hands. If you wish to suggest a doctored version, I should be happy to go along with this.

Yours ever

Colin Walters.

P. F. Ricketts, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

SUBJECT

cc Master

CONFIDENTIAL

Record of Conversation between the Prime Minister and the Premier of Bermuda at 1105 on Tuesday, 28 February, 1984 at No. 10 Downing Street

Present:

Prime Minister	Mr. Swan
Mr. Coles	Mr. Richardson

****

The Prime Minister said that Vice-President Bush, during his recent visit to the United Kingdom, had expressed considerable pleasure at comments which Mr. Swan had made to him earlier, to the effect that President Reagan had given new direction and confidence to United States policy. Mr. Swan said that the Caribbean had been through a period when people had felt that the blanket of Communism was being drawn over it. President Reagan had stopped this process. Bermuda must not lose sight of the danger of a renewal of this threat.

The Prime Minister recalled a remark made by the Bahamas Prime Minister at the last CHOGM to the effect that it was questionable whether countries who lacked the means of defending themselves had the right to be independent. Mr. Swan commented that the answer probably lay in collective arrangements. The Prime Minister observed that in the Caribbean the question arose of whether those arrangements should be under the aegis of the OECS or the wider Caricom grouping. Mr. Swann said that he believed that the wider grouping was more advantageous for the smaller states. Commenting on a remark of the Prime Minister, he observed that internal subversion was probably the biggest threat in the area. But countries went through various types of revolution and it was not possible to police everything. The main challenge was to prevent external intervention.

/Referring

Referring to Grenada, the Prime Minister said that she hoped that political parties would be able to establish themselves in time for the elections - and that there would not be a multiplicity of parties. Mr. Swan wondered whether the date of the elections was perhaps a little early. It might have been better if a healing process could have taken place first.

Turning to the situation in Bermuda, Mr. Swan said that the budget had been presented last Friday. Bermuda was a hallmark of democracy and economic stability and the biggest challenge was to ensure that economic stability continued.

When he had visited Washington he had reminded the administration of the earlier commitments made to Bermuda in respect of tax relief arrangements. Bermuda had then had to undergo the frustrating process by which Congress joined Bermuda to the Caribbean Basin initiative and attached impossible conditions. He had explained to the administration that Bermuda differed from many of the other countries involved. It was interested in trade, not aid. It was valuable to the whole Western Alliance and the free world. It looked for fair trading arrangements but these had been frustrated by Congress. There was now a deterioration in the quality of tourist facilities in Bermuda which potentially threatened to de-stabilise the economy. The administration had agreed to set up a committee to look into these matters. Vice-President Bush had been particularly understanding.

Mr. Swan wished to inform the Prime Minister of these developments and reassure her that Bermuda was not doing anything which would embarrass the United Kingdom. The Prime Minister said that it was essential that Bermuda should be able to talk candidly to the Americans.

Following a general discussion of the oil market, debt, world recession and recovery, Mr. Swan said that he wished to raise one or two specific points.

/1985

1985 was to be the Year of the Woman and a major conference was being held. He would be writing to the Prime Minister formally to ask whether it would be possible for the United Kingdom to include in its delegation an observer from Bermuda.

1984 was, of course, the 375 anniversary of the settlement of Bermuda. HRH Princess Margaret would visit the island to participate in the celebrations in late October. In June Bermuda would receive the Tall Ships. He very much hoped that either the Prime Minister or the Foreign and Commonwealth Secretary would be able to visit Bermuda in mid June to take part in the anniversary celebrations. The Prime Minister said that she would look into this but her programme for June was already very crowded.

Mr. Swan then said that he hoped that the Prime Minister would agree to participate in the ceremony which would inaugurate the Cable and Wireless Earth Station in Bermuda. A telephone conversation between himself and Mrs. Thatcher was envisaged. The Prime Minister agreed to take part.

Finally, Mr. Swan would find it helpful if he were able to attend, as an observer, Commonwealth meetings of Prime Ministers and Foreign Ministers. His purpose would be not to participate in the discussions but to take the opportunity of meeting Commonwealth colleagues. The Prime Minister said that we would examine this matter.

The discussion ended at 1150.

A.S.C.

28 February 1984

Foreign and Commonwealth Office

London SW1A 2AH

24 February 1984

Dear John,

Call by Premier of Bermuda: 28 February

As you know, Mr John Swan, Premier of Bermuda, is calling on the Prime Minister at 11 a.m. on 28 February. He will previously have called on Sir Geoffrey Howe (at 10.30 a.m.) and will be seeing Lady Young at 12 noon on 28 February.

I enclose a brief, personality notes on Mr Swan and Mr Richardson (the Secretary to the Bermuda Cabinet who is accompanying Mr Swan to London) and a copy of Mr Swan's programme.

Mr Swan has publicly stated that the independence issue will not form part of his talks with Ministers and has also indicated that he will not raise the question of the resignation of the previous Governor, Sir Richard Posnett, in February 1983.

I understand that Mr Swan has expressed the hope that it will be possible to have his photograph taken in company with the Prime Minister. I am sure it would be greatly appreciated if the Prime Minister could agree to this.

I understand that Mr Swan will probably wish to be accompanied on his call only by Mr Richardson.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

A J Coles Esq
10 Downing Street

VISIT OF PREMIER OF BERMUDA TO LONDON, 25-29 FEBRUARY 1984

PROGRAMME

25 February

0740	Arrive Heathrow on Flight BA 174 from New York. Staying at the Inn on the Park.

25-26 February

	Free
1245 for 1300	Commonwealth Institute. Drinks with staff followed by lunch hosted by the Director, Mr James Porter. Afterwards tour of the upgraded Bermudian exhibit.

28 February

1030	Meeting with the Secretary of State for Foreign and Commonwealth Affairs.
1100	Meeting with Prime Minister.
1130	Meeting with FCO officials
1200	Meeting with Minister of State, Foreign and Commonwealth Office, Lady Young.
1245 for 1300	Lunch. Hosted by Lady Young at No 1 Carlton Gardens.
Evening	Dinner hosted jointly by Cable and Wireless Limited and West India Committee

29 February

1115	Depart from Heathrow on Flight BA 263 for Bermuda.

VISIT OF MR JOHN SWAN, PREMIER OF BERMUDA, 25-29 FEBRUARY 1984: CALL ON THE PRIME MINISTER 11 am 28 FEBRUARY

GENERAL

POINTS TO MAKE

1. Recall with pleasure the meeting with Premier Swan during his visit to London in June 1982, shortly after he took office.

Anniversary of the Settlement of Bermuda

2. Congratulate Premier on the 375th anniversary of the settlement of Bermuda. Understand that HRH Princess Margaret is to visit the island to participate in the celebrations in late October.

Grenada

3. The UK Government took a different view from the Americans over how to respond to events in Grenada. But this will not weaken our relations with the USA. Nor will it prevent us from co-operating with the US and other interested parties to assist Grenada in seizing the new opportunity for democracy which has been opened up for her. We shall be happy to give all possible help to the interim administration in their efforts to organise free and fair

/elections

elections. We have announced a programme of aid totalling £1,750,000 to meet Grenada's immediate aid needs.

UK's Future Role in the Caribbean

4. UK policy remains to maintain and promote good relations with all of the countries of the Caribbean region, particularly the numerous independent Commonwealth countries and British dependent territories in the area. We will continue to help them to develop economically and to maintain a peaceful environment. To this end we will seek to maintain the flow of bilateral aid to the Commonwealth Caribbean within the resources available and will continue to contribute to multilateral aid programmes for the region. We also recognise the importance of regional co-operation and will give every encouragement to this movement. Bermuda's most valuable role lies in demonstrating the virtues and advantages of practising democracy and sound economic management.

Security of Small States

5. At Commonwealth Heads of Government meeting in New Delhi, we took the lead in drawing attention to the special security problems of small states. We shall be participating actively in a Commonwealth study aimed at finding solutions to these difficult problems.

/Independence

Independence (if raised)

6. UK Government policy remains that it is for Bermuda to decide when to move to independence.

Invitation to Bermuda (if raised)

7. Recall that Mr Swan issued an invitation to visit Bermuda at the meeting in June 1982.

Inauguration of Cable and Wireless Earth Station in Bermuda (if raised)

Note Premier Swan's interest in this project and explain that the possibility of the Prime Minister participating in the inauguration ceremony is being looked into.

ESSENTIAL FACTS

Previous Meeting with Premier Swan

1. A record of the Prime Minister's meeting with Premier Swan on 8 June 1982 is attached (Mr Rickett's letter of 9 June 1982 to Mr Richards).

Anniversary of the Settlement of Bermuda

2. Premier Swan is aware of the visit by HRH Princess Margaret planned for October. Although specific details of her programme have not been finalised, it has been suggested that HRH might open Parliament with the Speech from the Throne.

Grenada

3. Premier Swan issued a hasty, but locally greatly approved, statement in favour of the US intervention. Events in Grenada attracted much attention in Bermuda and a fund organised by a radio station raised over $14,000 for relief in Grenada which the Government matched dollar for dollar. But the Grenada affair also brought out Bermuda's reluctance to be lumped together, particularly in American eyes, with the Caribbean.

/UK's

UK's Future Role in the Caribbean

4. Premier Swan has said that he will wish to discuss how Britain sees its role in the Caribbean post-Grenada and what role we would like Bermuda to play, if any.

Invitation to Bermuda

5. At the conclusion of his meeting with the Prime Minister in June 1982 Premier Swan invited her to visit Bermuda. The Prime Minister thanked him but gave no commitment to make a visit.

Inauguration of Cable and Wireless Earth Station in Bermuda

6. Cable and Wireless are to inaugurate a new Marconi built earth station in Bermuda in April. We understand that both Cable and Wireless and the Bermuda Government are keen that this might be inaugurated by the Prime Minister making a telephone call from London to Premier Swan in Bermuda. We believe that this would be a very helpful gesture to the UK telecommunications industry and hope that a convenient time can be found to fit this in with the Prime Minister's other commitments.

West Indian and Atlantic Department

February 1984

VISIT OF MR SWAN, PREMIER OF BERMUDA 25 - 29 FEBRUARY 1984

BACKGROUND BRIEF ON BERMUDA

CONSTITUTIONAL STATUS

1. Bermuda (population 54,670 at the 1980 census, of whom roughly two thirds are black) is a dependency under the Crown. Except for the Governor's responsibility for external affairs, defence, internal security and the police, the dependency has been virtually internally self-governing since 1968, with a ministerial system of government since 1973. There is a House of Assembly consisting of 40 members elected by universal adult suffrage and a Senate consisting of eleven nominated members.

POLITICAL

2. The multi-racial United Bermuda Party (UBP) led by the 'black' Mr John Swan, has been in Government continuously since 1968. At the General Election held on 3 February 1983, the UBP increased its representation by four seats to a total of twenty-six. The remaining fourteen seats are held by the (predominantly black) Progressive Labour Party (PLP) led by Mrs Lois Browne-Evans and forms the Opposition.

3. It is difficult to identify major policy differences between the two parties, both of which are relatively conservative. One underlying problem for the future is the

/identification

identification of the PLP as the 'black' party. Unlike the UBP which is multi-racial (although widely regarded as mainly representative of 'white' and wealthy black interests) the PLP has only token white membership and has made little effort to broaden its base. Another problem for the PLP is that they have had no experience of Government.

4. Following the 1983 Election victory the UBP has launched on a fairly ambitious programme of social improvements including the construction of new housing, improved refuse disposal, water supplies and roads. Although racial divisions normally lie below the surface the race problem remains as a built-in source of potential instability. Both parties are committed to working for the creation of racial harmony and to this end more blacks are taking up responsible positions under the process of 'Bermudianisation'. The key appointment of police commissioner went in March 1981 to Frederick Bean, a black Bermudian. The Government expressed concern about the running and organisation of the police force and a visit to the island was made by the Overseas Police Adviser (OPA) in November 1983. His Report was highly critical of the (largely white) senior management. This Report is being considered by the Governor in Council. The Bermuda Regiment appointed Lieutenant Colonel Raynor as its first black Commanding Officer in 1980. Mr Swan is the second black Premier.

5. Mr Swan who took over in January 1982 introduced a more dynamic style of leadership which included deliberate attempts to meet the people, discuss their problems with them and persuade them to support the UBP. The success of this approach was demonstrated by the increased UBP majority in the February 1983 general election; a result which has considerably enhanced Mr Swan's standing on the island.

INDEPENDENCE

6. In 1979 a Bermuda Government White Paper concluded that it would be wrong to move to independence without a clear indication that a majority of Bermudians supported it. Although independence is seen as inevitable there is no evidence of widespread enthusiasm for it in either party and it was not an election issue in 1983. The Government is at present committed to no more than a continuing monitoring of public opinion on this subject. Many Bermudians are wary of too precipitate a move to independence which might alarm foreign investors and threaten their economic prosperity. Nevertheless Mr Swan has the personal ambition of leading Bermuda to independence under his premiership. He has had to accept however that his Cabinet and party Caucus do not want it and as there is little enthusiasm generally for independence the issue now lies dormant.

DEFENCE

7. There is no evidence to suggest that the existing US, Canadian and British military facilities in Bermuda would not be available after independence. These are important to NATO. Additionally we have contingency plans for the Caribbean region which involve the use of Bermuda as a staging post.

8. There are obvious US interests in the area and most of the tasks carried out under the NATO umbrella are of particular importance to the USA. It is logical therefore that Bermuda's post-independence orientation in the fields of defence and external security should be towards the US but the details will need to be worked out and also a decision taken on whether the relationship should be on a tri-lateral basis. A paper on this matter is presently being prepared at official level.

BERMUDA REGIMENT

9. The part-time Bermuda Regiment (with seconded British Army officers as Adjutant and Training Major) has a total strength of 650. 200 young men and women are called up annually for 3 years' part-time service. The Regiment has already shown that it should be able, in conjunction with the police, to deal with most security problems arising on the island.

ECONOMY

10. Tourism is Bermuda's major industry and the whole economy is geared to it. Average economic growth has been at the rate of around 4% since 1977. Per capita annual income is now over $ 11,000, the 7th highest in the world.

11. International company business is making an increasingly significant contribution to the economy. Over 5,000 international companies in the insurance and investment field are registered in Bermuda. These companies employ over 1,800 people, more than 60% of them Bermudians and make a significant contribution to both local revenue and to foreign exchange earnings.

AID

12. In view of the island's prosperity, there is no British aid programme to Bermuda.

RELATIONS WITH THE UK

13. In general, relations between Bermuda and the UK are excellent. Bermudians pride themselves on the 375 year connection they have so far had with this country, making her easily the oldest Colony, and in particular, value the links with the Crown and Parliament. In this connection, should Bermuda decide to move to independence, it seems probable she would opt to become a Realm inside the Commonwealth.

FORTHCOMING VISITS

14. In connection with the 375 Anniversary celebrations of the territory becoming a Crown Colony, HRH Princess Margaret will visit the island in October 1984.

WEST INDIAN AND ATLANTIC DEPARTMENT

February 1984

GOVERNMENT OF BERMUDA AT FEBRUARY 1984

(UNITED BERMUDA PARTY (UBP) 26 SEATS)

Governor and Commander in Chief (Government House Tel 23600)	-	Viscount Dunrossil CMG
Deputy Governor	-	Mr Mark Herdman (Tel: 2-2587 office 20471 home)
The Hon J D W Swan	-	Premier
Dr The Hon Clarence E James	-	Deputy Premier and Minister of Health and Social Service
The Hon C V Woolridge	-	Minister of Tourism
The Hon Sir J H Sharpe	-	Minister of Home Affairs
The Hon J D Gibbons	-	Minister of Finance
The Hon Quinton L Edness	-	Minister of Works, Housing Agriculture and Fisheries
The Hon S D William McPhee	-	Minister of Transport, Marine and Air Services
The Hon J Irving Pearman	-	Minister of Youth, Sport and Recreation
The Hon Dr George Thomas	-	Minister of Education
The Hon T Haskins Davis	-	Minister of Planning and Environment
Dr The Hon John D Stubbs	-	Minister of Industry and Technology
The Hon E W P Vesey	-	Minister for Legislative Affairs
Senator The Hon Charles T M Collis	-	Minister without Portfolio (with responsibility for the Cabinet Office and Civil Service Management)
Senator The Hon Gerald D E Simons	-	Minister for Community Affai

OPPOSITION

(PROGRESSIVE LABOUR PARTY (PLP) 14 SEATS)

Leader	-	Mrs Lois Browne- Evans
Deputy Leader	-	Mr Eugene Fox
Whip	-	Mr Stanley Lowe

SENATE:

GOVERNMENT APPOINTMENTS:

Senator The Hon Charles Collis

Senator Gerald D E Simons

Senator Llewellyn A J Peniston

Senator Robert V Barritt

Senator Paul A Leseur

OPPOSITION APPOINTMENTS:

Senator David H Allen

Senator Jennifer M Smith

Senator Q Charles Bean

GOVERNOR'S APPOINTMENTS:

Senator Hugh Richardson

Senator Arnott C Jackson

Senator Stanley Gascoigne

Election held 3 February 1983. Votes cast 48,849

[UBP 27,084 (57%) PLP 20,765 (43%)]

SWAN, THE HON JOHN WILLIAM DAVID, JP MP

Premier since January 1982. Minister of Home Affairs August 1977 - January 1982; Minister for Immigration and Labour February - August 1977; Minister of Marine and Air Services from June 1976 - February 1977; Parliamentary Secretary for Finance January - June 1976; member of the House of Assembly since 1972; black; born in Bermuda in 1935; educated West Virginia Weslyn College, where he gained a BA degree 1960; founder and Chairman of John W Swan Limited, a Real Estate Company; married with three children; interests golf and fishing; Freemason; belongs to many local sports clubs.

Friendly and business like he has made a considerable impact since he became Premier. He quite deliberately set out in 1982 to woo the people of the island by getting to know them and listening to their problems. This undoubtedly helped to ensure his victory in the February 1983 election when the United Bermuda Party representation was increased from 22 to 26 seats. A self-made millionaire with interests in the banking and insurance fields, he is a major figure in the business community as well as politics. Still only in his 40's, he seems likely to remain Premier for a long time provided he does not cross words with the UBP caucus.

RICHARDSON, KENNETH AUGUSTUS

Secretary to the Cabinet designate from October 1983; Permanent Secretary Ministry of Home Affairs 1976-83; Labour Relations Officer 1973-76; Training and Recruitment Officer 1969-73; Cabinet Office 1967-69; black; born in Bermuda 1939; educated in Bermuda, USA and London and Manchester; teacher 1964-67; married with two children; recreations tennis, soccer and cycling.

Intelligent and hardworking. Untried as Secretary to the Cabinent but proved to be a good Permanent Secretary for Home Affairs with a flair for handling labour disputes.

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10 DOWNING STREET

From the Private Secretary

22 February 1984

Inauguration of Cable & Wireless
Earth Station in Bermuda

Andrew Lansley sent you a copy of his letter of 20 February to me about the possibility that the Prime Minister might inaugurate the new Cable and Wireless Earth Station in Bermuda.

The Prime Minister would be grateful for the Foreign Secretary's views on this proposal. It would be helpful if you could also confirm the account of the views of the Bermudan Government contained in paragraph 4 of Andrew Lansley's letter.

Could I please have your advice by 2 March.

B/F 2

(David Barclay)

Roger Bone, Esq.,
Foreign and Commonwealth Office

RM

cc FCO

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
Telephone (Direct dialling) 01-215) 5422
GTN 215)
(Switchboard) 215 7877

JU734
Secretary of State for Trade and Industry

20 February 1984

David Barclay Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

1) Mr Coles
2) Mr Ingham

I think the F/C.O should check X before advice is put to the Prime Minister. A.J.C. 22/2.

What do you think pse?

Dear David,

INAUGURATION OF CABLE & WIRELESS EARTH STATION IN BERMUDA

This would be a potentially valuable use of a little of PM's time. Subject to X. I wonder however why the FCO are apparently lukewarm (Y). DMB 21/2

Cable and Wireless are to inaugurate a new earth station in Bermuda in April. The earth station is being built by Marconi.

2 In view of the importance of this contract and Cable and Wireless's historical position in the Caribbean, the Chairman of Cable and Wireless has enquired whether the Prime Minister would be prepared to inaugurate the earth station in a telephone call from London to Premier Swan of Bermuda. Cable and Wireless envisage that the call would be filmed in London and broadcast live on TV in Bermuda. It need not take up more than a few minutes of the Prime Minister's time and could be arranged so that the cameras and telephone were ready at a convenient location.

3 The scheduled date for the inauguration of the earth station is 30 April. However, it would be possible to postpone this for a day or so to fit in with the Prime Minister's diary. Since the time difference between London and Bermuda will be five hours, it would be preferable in order to catch the early evening peak TV viewing time in Bermuda, for the inauguration to be late in the evening. However, if this was inconvenient for the Prime Minister an earlier time could be arranged.

X 4 The Bermudan Government have told Cable and Wireless that they are very keen that the Prime Minister should be involved in this inauguration. Cable and Wireless feel that it would reflect well on them if Mrs Thatcher were able to agree.

5 The company have provided international telecommunication services in Bermuda for almost 100 years and currently operate under the terms of four licences which expire at various times between 1987 and 1994. Profit in the present financial year is estimated at £5.4m rising to £10m by 1986/7. This represents about 20-30% of the company's income from its public tele-

communication branch in the Caribbean region. The company operates in a number of other dependent territories in the area and are also major shareholders in the international telecommunications operations in Jamaica and in Trinidad and Tobago.

6 The company's position in the Caribbean is coming under increasing pressure from the United States, particularly from new domestic satellite services that can be extended to the area. The company attach importance to the urgent negotiation of a new long term licence with the Government of Bermuda that will safeguard their position there. Preliminary discussions have gone reasonably well, although the Government is expected to insist on a locally incorporated company with C & W as a major shareholder. With these difficult negotiations ahead, the company consider that it would be very helpful to have a visible demonstration of the British Government's support for their future in the region.

7 The new satellite earth station will greatly strengthen the position of the local C & W operation and that of Bermuda in international telecommunications. Additionally, the inauguration would give useful publicity to the fact that the earth station is being built by Marconi. The latter, who have a co-operation agreement with Mitsubishi, have to fight hard for every order against other Japanese and American competition.

8 In the light of all these considerations, my Secretary of State recommends that if possible it would be helpful to our telecommunications industry if the Prime Minister could accede to this request.

9 I understand that FCO officials have been contacted and have no objection. ly

10 I am copying this letter to Roger Bone in the Foreign Secretary's office.

Yours ever,

Andrew Lansley

ANDREW LANSLEY
Private Secretary

CONFIDENTIAL

FCO 81

10 DOWNING STREET

From the Private Secretary

1 February, 1984

Call by Premier of Bermuda

Thank you for your letter of 30 January. The Prime Minister has agreed to see Mr. Swan for 30 minutes at 0930 on Tuesday, 28 February.

A. J. COLES

P. F. Ricketts, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

Prime Minister.

Would you see him for 30 minutes at 9.30 on Tuesday, 28 Feb?

A. J. C. 31/1

Yes PMT

Foreign and Commonwealth Office

London SW1A 2AH

30 January 1984

Dear John,

Call by Mr John Swan, Premier of Bermuda, on the Prime Minister

Mr Swan is due to visit London from 27 to 29 February and has asked that if possible arrangements be made for him to make a brief courtesy call on the Prime Minister.

Mr Swan will be seeing Sir Geoffrey Howe and Lady Young on the morning of 28 February. He called on Mrs Thatcher when he last visited London in June 1982 and has also been received by President Reagan. The Governor of Bermuda has recommended that an appointment be arranged with the Prime Minister. Sir Geoffrey agrees that it would be worthwhile for the Prime Minister to agree to a short call by Mr Swan.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

A J Coles Esq
10 Downing Street

Bermuda (2)

10 DOWNING STREET

Prime Minister

Governor of Bermuda.

Anthony Acland has already consulted Peter Ramsbotham who advises:-

(a) do not send someone from the services - the Bermudans would regard that as putting the clock back

(b) but find someone of stature who will not let the Bermudans push him around.

A.J.C. 25/2

Bermuda.

10 DOWNING STREET

THE PRIME MINISTER

28 June 1982

Dear Sir Richard,

Thank you for your kind letter of 16 June.

It gave me great pleasure to see John Swan during his recent visit. How kind of you to offer me Government House for a stay. I should dearly love some rest and relaxation in Bermuda, but cannot see a suitable space in my diary at present.

Yours sincerely

Margaret Thatcher

Sir Richard Posnett, K.B.E., C.M.G.

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HBB CMG

Government House

Bermuda

16th June, 1982.

The Rt. Hon. Margaret Thatcher, MP.,
10 Downing Street,
London SW1

Dear Prime Minister,

You have been much in our thoughts during the last four weeks and my wife and I would like you to know how much we share your relief and satisfaction at the end of the fighting in the Falkland Islands. In this I am sure I speak for everybody in Bermuda where your steadfast support for a small island community has been much admired,and will be remembered.

I was so grateful for the kind attention which you spared for Premier John Swan during his recent visit to London. It has left a deep impression upon him and upon his colleagues here. I know that he intends writing to you personally and will ask you to try to find time during the next year or so to come to Bermuda to stay for a day or two. I wish only to add my own warmest invitation and to assure you that Government House would be at your disposal. This would not be a bad place to rest and relax for a moment - and the islanders would love the opportunity to get to know you better.

By the way, the "Thatched Palm" which you planted last year is growing splendidly!

With best wishes

Yours sincerely

Richard Posnett

Richard Posnett

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SUBJECT

cc Marks + Ons

T134/82 Prime Minister To note. MR 18/6

(2)

Premier

The Cabinet Office

Hamilton 5-24, Bermuda

Ref. No. CAB.105/11

16th June, 1982.

Copy to Mr. Holmes FCO.

MT

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

Dear Prime Minister,

Your kindness in making time in your busy schedule to see me last week was overwhelming and I am most grateful to you.

Hearing your views on the Falklands situation and your outlook for dependencies and small island governments was enlightening and I will follow events now with a deeper appreciation. We are, as you must be, heartened by the news of the cease fire.

Bermuda, although very small, stands ready to assist in any way possible in the Caribbean area, and I look forward to being advised if we can be of assistance.

Thank you for your gracious reception.

Yours sincerely,

John Swan

John W. Swan
Premier

RESTRICTED

SUBJECT

file Bermuda

TMP

cc Master

10 DOWNING STREET

From the Private Secretary

9 June 1982

CALL BY THE PRIME MINISTER OF BERMUDA: 8 JUNE

Thank you for your letter to John Coles of 4 June, and for the briefing for this meeting. Mr. Swan called on the Prime Minister at 1745 yesterday evening, accompanied by Mr. Williams and Mr. Ure.

The Prime Minister opened by thanking Mr. Swan for his public statement of support for our stand in the Falkland Islands. This led to some discussion of whether the Bermudan constitution provided a model for the future Government of the Falkland Islands, in the course of which the Prime Minister gave Mr. Swan details of the existing administration in the Islands. She said that she recognised that the larger size and population of Bermuda made self-government more feasible, but self-government was her preferred option for the Falkland Islands. We were certainly not going to allow any other country a part in the government of the Islands. It was therefore crucial to develop the Islands' infrastructure and economy. In reply, Mr. Swan said that he would be glad to provide any help necessary in the reconstruction and rehabilitation of the Islands after the hostilities had ended. But he agreed with the Prime Minister that the small population of the Islands would make self-government a difficult option. From his experience in Bermuda, he said that the real problem was likely to be the shortage of skilled labour. Bermuda had no unemployment; indeed, 19% of its labour force was imported. It would be hard to attract the right sort of labour to the Falkland Islands, especially in the aftermath of hostilities. Moreover, the threat of further hostilities could well remain after the repossession of the Islands, and this could blight economic development. The Prime Minister acknowledged the difficulties, but said she was hopeful that oil and gas resources could be successfully exploited around the Falklands, that the tourist industry could be developed, and that the Islands' kelp and krill resources could be exploited.

Mr. Swan then asked the Prime Minister whether she was happy with the position that the Americans had adopted on the Falkland Islands crisis. Mrs. Thatcher acknowledged that there had been unfortunate incidents in the UN, but she hoped that these could be played down. The Americans had been staunch in their support for our stand in the Falklands; they had

/come off

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come off the fence as soon as it was clear that Secretary Haig's mission would not succeed; the President's address to the Houses of Parliament had been a quite unequivocal statement of support; and the Americans were backing this rhetoric with practical help. But she agreed that it would be a mistake for the US to determine their policy towards Argentina on the basis of some wider notion of "Latin American interests". The countries of Latin America were all different. The belief that the Argentine Government was firmly anti-Communist was not a reason for excusing their behaviour in the South Atlantic. Indeed it was clear that Argentina had already formed some ties with the Soviet Union; their exports to the Soviet Union had in fact undercut the American embargo. The Falkland Islands occupied an important strategic position on sea routes to the Pacific and to the Antarctic, and their protection was important to restraining Soviet influence in the area.

There was then a very short discussion of the situation in the Lebanon. The Prime Minister said that the Israelis had long demanded self-determination and autonomy for themselves, and they really could not argue that the same rights should be denied to the Palestinians. However, the many different interest groups in Palestine made a solution to the problem very difficult. She felt that the shooting of Ambassador Argov had been the occasion for the invasion, and not the cause. There could be no comparisons between the situation in the Lebanon and that in the Falklands; this was no clear-cut issue of principle.

Finally, Mr. Swan said that British forces appeared to have driven the Argentines into a corner in Port Stanley, and he wondered whether the Prime Minister expected any criticism if she delivered the coup de grace without giving the Argentines a chance to surrender. The Prime Minister replied that she had indeed given them such an opportunity, and she hoped that there would be a quick surrender once the final attack was launched.

As he left at 1815, Mr. Swan invited the Prime Minister to visit Bermuda. The Prime Minister thanked him for his invitation but gave no commitment to make a visit.

W. F. S. RICKETT

F.N. Richards, Esq.,
Foreign and Commonwealth Office.

COVERING CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

4 June, 1982

Dear John,

Call by Premier of Bermuda, 8 June

As you know, Mr John Swan, Premier of Bermuda, is calling on the Prime Minister at 5.45 pm on 8 June.

I enclose briefing and background notes on general points and constitutional development. It is, however, unlikely that Mr Swan will want to refer to the details of constitutional development when he sees the Prime Minister, as he will have had the opportunity to raise these with the Secretary of State and Mr Onslow the previous day, and with officials on the morning of 8 June.

Yours ever,

Francis Richards

(F N Richards)
Private Secretary

A J Coles Esq
Private Secretary
No 10 Downing Street

COVERING CONFIDENTIAL

(ORIGL + 2 PS COPIES)

A

VISIT OF MR JOHN SWAN, PREMIER OF BERMUDA, 7-9 JUNE 1982

GENERAL

POINTS TO MAKE

1. (Prime Minister only). Recall with pleasure the brief stopover in Bermuda during the journey to and from the Cancun Conference last October, including the meeting with Mr David Gibbons, Mr Swan's predecessor.

2. Looking forward to a close working relationship with Mr Swan and his Cabinet.

Falklands Conflict

3. Express appreciation for the message of support given by the Bermuda Government to HMG. Understand from press reports that Bermuda has set up a special fund to help British families affected by the conflict.

Caribbean Links

4. Please to learn of Mr Adams' successful visit to Bermuda in May. Hope that more contact can be established with the Caribbean.

ESSENTIAL FACTS

Falklands

1. On 9 April, Mr Swan made a public statement, deploring the Argentine invasion of the Falklands. He offered to Britain any support facilities that the island could provide. The Leader of the Opposition, Mr Browne-Evans, made a similar statement on the same day and Bermudian Ministers subsequently urged a trade ban on Argentine goods. It was reported in the Daily Telegraph on 1 June that Mr Swan had launched an appeal fund to help British families affected by the Falklands conflict.

Relations with the Caribbean

2. Mr Adams, the Prime Minister of Barbados, paid a successful first visit to Bermuda in May. The Governor and we feel that Bermuda should develop greater contacts with the Caribbean. The Bermuda Regiment trains in alternate years in Jamaica; but otherwise relations have been rather thin. As a developed and successful economy, Bermuda may be able to find further forms of co-operation with the less well-off Caribbean States. We hope Mr Swan will be invited to pay a return visit to Barbados.

B

VISIT OF MR SWAN, PREMIER OF BERMUDA, 7-9 JUNE 1982

CONSTITUTIONAL DEVELOPMENT

POINTS TO MAKE

Devolution of Power

1. We need to be consistent in our policy on the steps to independence for our remaining dependencies. Bermuda has already progressed as far as possible constitutionally in the absence of a clear commitment to independence and an agreed timetable for achieving it.

External Affairs

2. Any general delegation of responsibility for external affairs would not be in accordance with this policy. But we are glad to continue our agreement on an ad hoc basis, as in the past, to direct discussions with other governments on particular matters either by the Minister concerned with the domestic implications in Bermuda or by the Premier. This is in line with practice elsewhere and works reasonably well. We shall continue to assist Ministers through our Diplomatic Missions and arrange for them to be accompanied if necessary. It is, however, important that a full report of any discussions held is sent to the Governor and the Post concerned. (If asked). We should be willing to assist the Bermuda Government with advice and/or training on the handling of external affairs issues.

(If Asked)
Bermuda Regiment and Judicial and Legal Services Commissions (JLSC)

3. We are prepared to look sympathetically at any proposal for localisation of responsibility for the Bermuda Regiment in such areas as equipment, recruitment and public relations, provided that the PLP* support these changes. The same applies to the establishment of a JLSC.

* Progressive Labour Party

(If Asked)
Deputy Governor

4. The question of the future role and status of the Deputy Governor should be discussed with the Governor and FCO officials at this stage.

VISIT OF MR SWAN, PREMIER OF BERMUDA, 7-9 JUNE 1982

CONSTITUTIONAL DEVELOPMENT

ESSENTIAL FACTS

External Affairs

1. Bermuda has enjoyed almost complete internal self-government since 1968. The Governor retains responsibility only for external affairs, defence, internal security and the police. Though there is at present no pressure by either of the two political parties for independence, the former Premier, David Gibbons, made an approach to us through the Governor at the end of last year, asking that there should be some devolvement of responsibility in the field of external affairs to the Bermuda Government.

2. However, we know that the new Premier is not as interested as Mr Gibbons (who sees himself as Bermuda's first Minister for External Affairs) in changes in the existing Constitution. But Mr Swan does not want to confront his predecessor on this issue and may ask that it should be discussed with officials.

3. The Governor has already spoken to Mr Swan, explaining that we cannot agree to any surrender of our responsibilities for external affairs at this time, but that we would be glad to continue to arrange direct discussions between the Government of Bermuda and other governments or multilateral agencies on matters of specific concern to Bermuda. It may be necessary to restate the reasons for our decision during Mr Swan's visit to London.

Other Changes

4. Minor constitutional changes were proposed informally last October by the Bermuda Government regarding the running of the Bermuda Regiment and the establishment of a Judicial and Legal Services Commission. We have told the Governor that we would in principle be prepared to look favourably at a formal proposal,

/provided

provided that it has the support of the Bermuda Opposition. In fact, neither causes us any difficulties. But Mrs Browne-Evans has since indicated that she is not in favour of any tinkering with the Constitution. The issue may, therefore, be shelved.

Deputy Governor

5. Mr Gibbons has approached the Governor on the question of the role of the Deputy Governor in the context of the future structure of the Bermuda Cabinet Office. This might involve a change in the Constitution. No formal approach has been made to us on this question, but it seems likely that Mr Swan will want to discuss the question with officials during his visit.

VISIT OF MR SWAN, PREMIER OF BERMUDA 7-9 JUNE 1982

BACKGROUND BRIEF ON BERMUDA

CONSTITUTIONAL STATUS

1. Bermuda (population 54,670 at the 1980 census, of whom roughly two thirds are coloured) is a dependency under the Crown. The present Governor, Sir Richard Posnett, took up his appointment on 24 February 1981 in succession to Sir Peter Ramsbotham. Except for the Governor's responsibility for external affairs, defence, internal security and the police, the dependency has had virtual internal self-government since 1968, with a ministerial system of government since 1973. There is a House of Assembly consisting of 40 members elected by universal adult suffrage and a Senate consisting of eleven nominated members.

POLITICAL

2. The multi-racial United Bermuda Party (UBP) led by the black Mr John Swan, who succeeded the white Mr David Gibbons as Premier in January 1982, was formed in 1964 and has been in Government continuously since 1968. It holds 22 of the 40 seats in the House of Assembly. The others are held by the (predominantly black) Progressive Labour Party (PLP) led by Mrs Lois Browne-Evans, which came into being in 1963 and forms the Opposition. At a General Election on 9 December 1980, the PLP increased its representation by 3 seats to a total of 18. There is now a possibility that the PLP could, for the first time, form a Government after the next election due in 1984. At the same time, it is becoming increasingly difficult to identify major policy differences between the two parties. One underlying problem for the future is the identification

/of

of the PLP as the 'black' party; unlike the UBP which is multi-racial (although widely regarded as mainly representative of white or wealthy black interests) the PLP has only token white membership and has made little effort to broaden its base.

3. Mr Swan's and previously Mr Gibbons' Governments have both been committed to a more equitable sharing of the island's prosperity. A major problem is the provision of adequate affordable housing for the lower paid. A housing action programme was initiated in 1981 but it has not kept pace with demand and the new Premier is currently trying to speed up the programme, spurred on by criticisms from the PLP. A Human Rights Bill has been introduced and a number of other measures are planned to bring about greater social justice, the race problem remains as a built-in source of potential instability as the strikes of April/May 1981 demonstrated (see para 4 below). Both parties are committed to working for the creation of racial harmony and to this end more blacks are taking up responsible positions under the process of 'Bermudianisation'. The key appointment of Police Commissioner went in March 1981 to Frederick Bean, a black Bermudian. The Bermuda Regiment (see paragraph 8 below) appointed Lt Colonel Raynor as its first black CO in 1980. Mr Swan is the second black Premier.

4. Despite the measures mentioned above Bermuda stagnated politically in 1981. The UBP under David Gibbons seemed out of touch with the mood of the people, as was demonstrated during the crippling strike of public employees and hotel workers in April/May. The PLP let events take their course and did little or nothing to make life more difficult for the Government. Mr Swan clearly recognises the dangers of allowing Bermuda to drift in this way and he can be expected to introduce a period of more dynamic leadership, provided he can win the full backing of his at present divided Cabinet. He is keener than Mr Gibbons to strengthen contacts with the Caribbean: we welcome this.

/ECONOMIC

ECONOMY

5. (a) General: Bermuda has had an average annual economic growth rate of around 4% since 1977. Per capita annual income is now well over $10,000 the eighth highest in the world. Inflation is running at an annual rate of around 10% (mostly imported) having declined from a rate of 15.7% in 1980.

(b) Tourism: is Bermuda's major industry and the whole economy is geared to it. There were almost 650,000 visitors in 1980 (about 18% being cruise visitors) predominantly from the US. In 1981 the number of tourists declined by about 20%, largely due to the hotels being forced to close during the hotel workers' strike of April and May. The situation has been compounded by the recession in the USA and the increasing tendency of US nationals to stay at home for thier holidays. The prospects for 1982 were until recently not particularly good with a further decrease in forward bookings partly caused by the protracted wage negotiations between the hotel employers and hotel workers. However now that these have been successfully concluded the Bermuda Tourist Industry is sufficiently well organised to be able to pick up fairly quickly and the long-term outlook is reasonable. Efforts are also being made to attract more US convention business, particularly out of the tourist season.

(c) International company business: is making an increasingly significant contribution to the economy. 5,320 international companies were registered in Bermuda by the end of 1980 in the insurance and investment field. These companies employ over 1,800 people, more than 60% of them Bermudians. Their contribution to Bermuda's foreign exchange earnings was $150 million for the year ending in September 1980. This represents 50% of the figure derived from tourism compared with 35% in 1975.

(d) Manufacturing industries: in Bermuda are small. They include boat yards, pharmaceuticals, beauty preparations and concentrated essences, produced from the Bermuda Easter Lily.

/(e) The Budget:

(e) The Budget: for 1982/83 estimates revenue at $156.1 million. 45% of this total derives from Custom's revenue. Recurrent expenditure is estimated at $139.7 million. Given projected capital expenditure of $15.2 million, the budget is expected to balance with possibly a minimal surplus. The Public debt was finally extinguished in September 1981.

INDEPENDENCE

6. A 1979 Bermuda Government White Paper concluded that it would be wrong to move to independence without a clear indication that a majority of Bermudians supported it. Although independence is seen as inevitable, there is currently no great enthusiasm for it in either party and it was not an election issue in 1980. The Government is at present committed to no more than a continued monitoring of public opinion on the subject. Bermudians are adept at 'having their cake and eating it' and wary of too precipitate a move to independence which might alarm foreign investors and upset the applecart of prosperity. Nevertheless Mr Gibbons has been pressing for greater devolution in the field of foreign affairs. This is dealt with in a separate brief.

DEFENCE

7. During his term as Premier Mr David Gibbons made several attempts to discuss post independence defence arrangements with the US Administration. He was listened to and politely told that substantive discussions could not take place as long as the UK has responsibility for defence matters on the island. It is logical that Bermuda's future orientation in this respect should be towards the US but the details will need to be worked out and also a decision taken on whether the relationship should be on bilateral or NATO basis. Premier Swan has not so far showed any desire to become involved in defence matters. The present US Naval and Naval Air Stations on Bermuda (Kings Point and Kindley) under the command of Captain Loftus USN have a complement of around 1500. There is a Canadian military base at Daniel's Head. The residual RN station, HMS Malabar, under

/Commander

Commander Green, has a complement of 13. The part-time Bermuda Regiment (with seconded British Army officers as adjutant and training Major) has a total strength of 650. In accordance with recommendations for reform in the Gilbert Report it has been increasing its complement and its capabilities. 200 young men and women are called up annually for three years' part-time service. The Regiment would like to be able to make greater use of MOD training facilities (which could be of particular benefit to the Regiment's internal security capability).

BILATERAL ISSUES

8. Two bilateral problems remain to be resolved. The first concerning the settlement of Vietnamese refugees rescued by Bermuda registered vessels. Secondly, the Bermuda Government made various representations at Ministerial and official level in 1980 about the new UK Nationality Law pointing out its implications for their immigration policy. Progress was made towards a mutual understanding of problems but the subject remains of some potential concern to both Government and Opposition on the island. It is understood that Mr Swan does not intend to raise this issue during his visit.

D

GOVERNMENT OF BERMUDA JANUARY 1982

Governor & Commander in Chief -	Sir Richard Posnett KBE CMG
Deputy Governor -	Mr Brian Watkins
The Hon J W D Swan -	Premier
The Hon C V Woolridge -	Deputy Premier and Minister of Tourism
The Hon Sir J H Sharpe -	Minister of Home Affairs
The Hon J D Gibbons -	Minister of Finance
The Hon E W P Vesey -	Minister of Health and Social Affairs
The Hon Dr J D Stubbs -	Minister of Works, Housing and Agriculture
The Hon W M McPhee -	Minister of Transport, Marine and Air Services
The Hon E De Couto -	Minister of Youth and Sport
The Hon W Cox -	Minister of Education
The Hon T H Davis -	Minister of Planning and Environment
The Hon Senator Q L Edness -	Minister of Community Affairs
The Hon Senator C Collis -	Minister without Portfolio (with responsibility for the Cabinet Office and Civil Service Management

E

PERSONALITY NOTE: THE HON JOHN WILLIAM DAVID SWAN JP MP, PREMIER OF BERMUDA

Premier since January 1982; Minister of Home Affairs, August 1977-January 1982; Minister for Immigration and Labour, February-August 1977; Minister of Marine and Air Services from June 1976-February 1977; Parliamentary Secretary for Finance, January-June 1976; Member of the House of Assembly since 1972; black, born in Bermuda in 1935: educated West Virginia and Wesleyan College, where he gained a BA degree 1960; founder and President and General Manager of John W Swan Limited, a Real Estate Company; married with three children; interests, golf and fishing; Freemason; belongs to many local sports clubs.

Swan's elevation to the Premiership was popular in both the black and white communities. He is a progressive and as such does not have the full support of the Conservative wing of the United Bermuda Party (UBP). He has shown that he runs affairs very differently from his predecessor, David Gibbons, who was a financier rather than a politician.

He knows the need to rally support on the island for the UBP before the next election and has put together a programme to provide better housing and social services, which he hopes will appeal to the general public.

Extrovert and friendly, he made a good Minister of Home Affairs, handling that controversial portfolio very well. He is a self-made millionaire with interests in the banking and insurance fields.

PERSONALITY NOTE:

WALTER JAMES (JIMMY) WILLIAMS, CVO OBE

Secretary to the Cabinet since July 1976; Director of Tourism 1957-76; white; born in Bermuda in 1919; educated Warwick Academy; awarded MVO in 1953, OBE in 1965 and CVO in 1975; married with one son and two daughters by an earlier marriage; interests are golf and fishing.

Businesslike, competent and generally respected. He has been an outstanding Secretary to the Cabinet. He will probably be retiring from this post in 1983.

F

VISIT OF MR JOHN SWAN, PREMIER OF BERMUDA, 7-9 JUNE 1982

OFFICIAL PROGRAMME

6 June	1025	Arrive Heathrow on Flight BA 262. Met at Hillingdon Suite Terminal 1 and transported to the Inn on the Park.
		Remainder of day free.
7 June	1110	Arrive at the Main Entrance to the FCO. Met by Mr J M A Herdman.
	1115 - 1145	Meeting with the Minister of State, Mr Onslow
	1245 for 1300	Lunch hosted by Mr Onslow at No 1 Carlton Gardens
	1530 - 1600	Meeting with the Secretary of State for Foreign and Commonwealth Affairs, Mr Francis Pym
	1700	Meeting with the Archbishop of Canterbury, Dr Runcie, at Lambeth Palace.
8 June	1100	Meeting with FCO officials in the India Office Council Chamber, King Charles Street
	1600	Meeting with the Commonwealth Secretary-General, Mr Shridath Ramphal at the Commonwealth Secretariat
	1745 - 1815	Meeting with the Prime Minister, Mrs Thatcher, at 10 Downing Street
9 June	am	Free for other meetings or appointments.

/1245

9 June cont	1245	Lunch given by the West India Committee at Booker McConnell Ltd 12th Floor, Bucklesbury House, 83 Cannon St, EC4. Host Mr J Stuart-Paton, Chairman of Thomson Hankey and Co Ltd. Deputy Chairman of the West India Committee.
10 June	0700	Collected at the Inn on the Park Hotel and taken to Heathrow Airport to join flight BA 263 to Bermuda.

file

Bermuda

cc: Miss Stephens

25 May 1983

CALL BY PREMIER OF BERMUDA

Thank you for your letter of 21 May. The Prime Minister has agreed to see Mr. Swan for thirty minutes on Tuesday 8 June at 1745 hours.

A. J. COLES

John Holmes, Esq.,
Foreign and Commonwealth Office.

Prime Minister
You could see him for 30 minutes at 5.45 p.m. on 8 June. You leave for Windsor (banquet for Reagan) at 7.00 p.m.
Agree?
A.J.C. 24/5.

Foreign and Commonwealth Office

London SW1A 2AH

21 May, 1982

Dear John,

Yes MT

Call By Mr Swan, Premier of Bermuda, on Mrs Thatcher

Mr John Swan, the new Premier of Bermuda, is due to visit London from 7 to 9 June. During his time here, he will be calling on FCO Ministers, including Mr Pym, and would also like if possible to pay a brief courtesy call on Mrs Thatcher.

This will be Mr Swan's first visit to Britain since he took over the Premiership from Mr David Gibbons in January. He visited Washington in March, when he was received by President Reagan, the Vice-President and Mr Haig. The Governor has told us that Mr Swan attaches great importance to a call on Mrs Thatcher, however brief. It is of course a most inconvenient time, since his visit coincides with that of President Reagan, but it would nevertheless in our view be a pity if he were unable to meet the Prime Minister during his stay here.

/ I enclose a brief Personality Note on Mr Swan.

Yours ever

John Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
Private Secretary
10 Downing Street

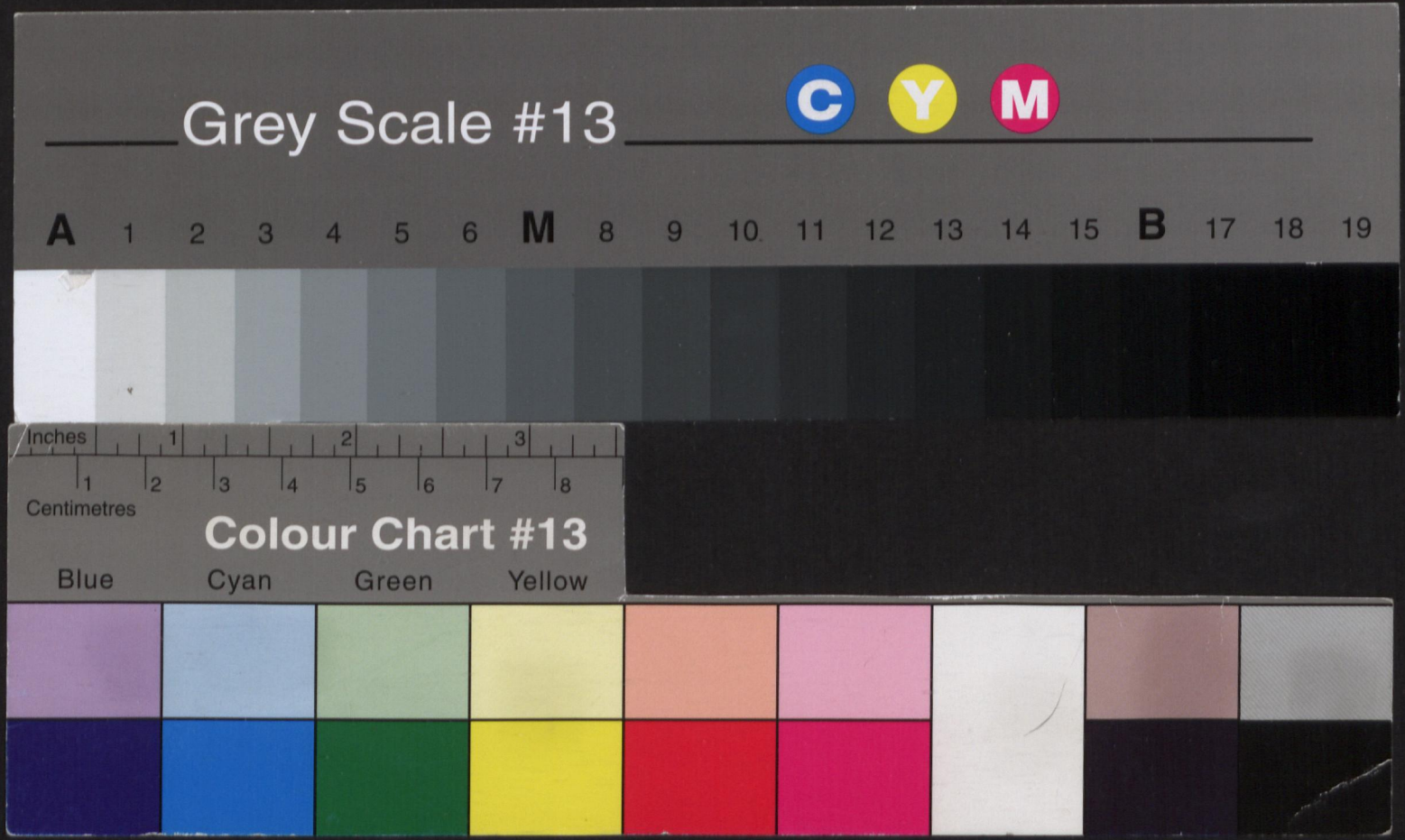
PERSONALITY NOTE: THE HON JOHN WILLIAM DAVID SWAN JP MP, PREMIER OF BERMUDA

Premier since January 1982; Minister of Home Affairs, August 1977-January 1982; Minister for Immigration and Labour, February-August 1977; Minister of Marine and Air Services from June 1976-February 1977; Parliamentary Secretary for Finance, January-June 1976; Member of the House of Assembly since 1972; black, born in Bermuda in 1935: educated West Virginia and Wesleyan College, where he gained a BA degree 1960; founder and President and General Manager of John W Swan Limited, a Real Estate Company; married with three children; interests, golf and fishing; Freemason; belongs to many local sports clubs.

Swan's elevation to the Premiership was popular in both the black and white communities. He is a progressive and as such does not have the full support of the Conservative wing of the United Bermuda Party (UBP). He has shown that he runs affairs very differently from his predecessor, David Gibbons, who was a financier rather than a politician.

He knows the need to rally support on the island for the UBP before the next election and has put together a programme to provide better housing and social services, which he hopes will appeal to the general public.

Extrovert and friendly, he made a good Minister of Home Affairs, handling that controversial portfolio very well. He is a self-made millionaire with interests in the banking and insurance fields.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