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FALKLAND ISLANDS
8 December, 1980

**VISIT OF THE HONOURABLE NICHOLAS RIDLEY, M.P.
MINISTER OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS,
TO THE FALKLAND ISLANDS: 22-29 NOVEMBER, 1980**

*The Governor of the Falkland Islands to the
Secretary of State for Foreign and Commonwealth Affairs*

SUMMARY

The purpose of Mr. Ridley's visit was to consult Islanders on possible ways forward in the dispute with Argentina over the Falkland Islands (paragraph 1).

2. He had three meetings with Councillors and met a wide cross-section of people in Stanley and on the farms (paragraph 2).

3. He explained to Councillors that the Argentines were pressing for more substantive negotiations, which meant discussing sovereignty. As the dispute was the main cause of the Colony's economic stagnation, he wanted to share with Councillors his ideas for solving it. He suggested three possible options: condominium, freeze or leaseback. Condominium was not favoured by anyone; a freeze of the Argentine claim was unlikely to be accepted by the Argentines; but there were advantages in a leaseback arrangement (paragraphs 3 and 4).

4. He had no idea whether the Argentines would accept a leaseback arrangement: all he sought at this stage was Councillors' agreement to explore the possibilities. Councillors would be invited to the talks and, if specific proposals could be agreed, they would then be put to Islanders to decide (paragraph 5).

5. Councillors were at first receptive but there was a certain amount of backsliding at subsequent meetings. They asked Mr. Ridley to go public so that they could gauge Islanders' reactions. They also asked for more time (paragraph 6).

6. Islanders' reactions varied between those who advocated no more talks with the Argentines and those who supported a leaseback arrangement. The former had no practical alternative to offer but thought that, somehow, Britain would look after them. The younger people hankered for independence but this came from unexpected quarters (paragraphs 7-9).

7. Mr. Ridley's visit made Islanders think instead of drift. They now need time for his ideas to sink in. They also need guidance and leadership from Councillors, which they are not yet getting. Councillors are as confused as anyone else by the conflict between heart and head, as the anniversary of the Battle of the Falklands illustrated. But there is cause for hope that the majority will eventually agree to talks about sovereignty, including the possibilities of a freeze or a leaseback (paragraph 10).

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My Lord,

Port Stanley,

8 December, 1980.

The Honourable Nicholas Ridley, M.P., Minister of State for Foreign and Commonwealth Affairs, visited the Falkland Islands from 22 to 29 November to consult Islanders on the possible ways in which Her Majesty's Government might make progress in the negotiations over the dispute with Argentina. During the week, he met all the main organisations in Stanley, visited eight settlements and talked to the people twice on the local radio. By the time he left, Islanders were in no doubt as to the possible options open to Her Majesty's Government and a public debate had begun on the issues involved and the choice before them.

Programme

2. Mr. Ridley, who was accompanied by the Head of South America Department, Mr. Robin Fearn, and his Private Secretary, Mr. Kenneth Temple, spent the weekend quietly, meeting Councillors and their wives and inspecting two current projects financed by Her Majesty's Government, the Stanley school hostel and the Darwin road. He spent the first part of the week in Stanley, attending meetings of Executive and Legislative Councillors, representatives of the Sheep Owners Association, the General Employees Union, the Falkland Islands Committee and the young people of Stanley Social Club. He spoke and answered questions at a public reception in the Town Hall, visited the Royal Marines Detachment at Moody Brook, where he was entertained to lunch, gave his first broadcast on the local radio and held individual interviews with two Islanders who had requested them. He spent the second part of the week travelling in the Islands and addressed meetings in Goose Green, Fox Bay East, Fox Bay West, Chartres, Hill Cove, Roy Cove and Green Patch. He also paid a brief visit to Carcass Island. On his return to Stanley, he addressed a meeting of the Stanley business community, held a final meeting with Councillors, gave interviews to two more individual Islanders and recorded his farewell broadcast. He also held a press conference for local journalists before leaving (programme at Annex 1).

Background

3. At his first meeting with Councillors, Mr. Ridley reminded them of his last visit to the Falkland Islands in July 1979, and developments with the Argentines since. At the exploratory round of talks in New York in April this year, in which the Honourable Adrian Monk represented Councillors, Mr. Ridley thought that the Argentines had been almost persuaded that a joint administration of our fisheries resources was possible but, at the last minute, Comodoro Cavandoli had insisted that it would have to be part of a general settlement of the sovereignty dispute. They had not been forthcoming on co-operation over exploration for oil. Since then, our Foreign Ministers had held a general discussion in New York in September, but no real progress had been made and there was pressure from the Argentines to resume negotiations.

The choice

4. The Argentines expected to have substantive negotiations at the next round of talks and this for them meant discussing the sovereignty issue. Mr. Ridley considered that the dispute was the main cause of the Colony's economic stagnation. Until a solution was found, the present shortage of capital and manpower would continue and the potential of the Islands and their surrounding seas would remain undeveloped. He wanted to share with Councillors his ideas for solving the sovereignty problem. In his view, there were three possible options: condominium, freeze or leaseback. A condominium

was not favoured by Her Majesty's Government and he doubted whether Islanders would be prepared to accept it. A freeze of the Argentine claim had its attractions but he doubted whether the Argentines would accept it because it gave them nothing in return. They were unlikely to accept a long freeze and, if it was for a short time, it would solve nothing because the whole political uncertainty would arise again. If the right terms could be agreed, a leaseback arrangement could have advantages. It would mean handing over titular sovereignty and immediately leasing back the Islands. It would have to be a long lease, two or three or more generations, and would include a 200 mile maritime zone. In practice, the Colony would continue with no change, with British law, British administration, British democracy and the British way of life.

5. Mr. Ridley said he had no idea whether the Argentines would accept a leaseback arrangement: all he was asking Councillors at this stage was whether they would agree to his exploring the possibilities of a freeze or a leaseback with the Argentines. Councillors would be invited as before to be represented at the talks and, if the negotiations went well, he hoped that they would return with specific proposals to put to Islanders, who would then have the choice to decide whether to accept them or not. It would be a matter entirely for their own decision and Her Majesty's Government would, as always, be guided by their wishes.

Councillor reactions

6. Councillors accepted that we could not go on talking to the Argentines for much longer without discussing sovereignty. Most of them were also prepared to admit that the Islands could not carry on for much longer as they were at present. They were all agreed that, of the three options suggested by Mr. Ridley, a condominium was unacceptable to Falkland Islanders. They were divided on the respective merits of a freeze or a leaseback. After their first meeting with Mr. Ridley, they seemed ready to consider both options; but there was a certain amount of backsliding at their second meeting, when they were clearly frightened by the enormity of the decision that they thought they were being asked to take. They requested Mr. Ridley to go public so that they could gauge Islanders' reactions before they made up their own minds. They were still indecisive at their final meeting with Mr. Ridley on the morning of his departure and asked for more time for thought and to assess the people's views.

Islander reactions

7. Despite the critical tone and sometimes strident nature of questions asked at public meetings, a lot of people were prepared to consider the various possibilities for the future of the Islands. Although the idea of handing over sovereignty was repugnant to all, by the end of the week many were considering it as a possible practical solution which Mr. Ridley should explore, together of course with a long leaseback. Opposition to the idea was divided between those whose hearts ruled their heads to the extent of advocating no more talks with Argentina and facing the consequences, and those who thought that it was not worth trying because the Argentines would never agree to it, or if they did, they could not be relied upon to stick to the agreement. It was interesting to note that the most unreasonable critic at every public meeting was almost invariably a stout middle-aged woman. It would be wrong, however, to underestimate the emotions that have been aroused, even in the hearts of intelligent people. Many a kelper (that is, Falkland Islands born) feels rather as an Israeli would feel if asked to consider handing over his country to the Arabs. He may not have the hatred that armed conflict has generated, but he has the same deep suspicion of the Argentine as the Jew for the Arab. But unlike the Jew, the kelper is not

materialistic. Few of them own the land they live on but are firmly convinced that the Falkland Islands belong to them. They cannot stomach the thought of the Islands belonging to Argentina, no matter how symbolic the sovereignty. They have somehow survived for 150 years and, although they can see no clear way ahead or offer any practical alternative to a leaseback arrangement, they think that somehow they can manage to survive for another 150 years without having to make concessions to the Argentines, even if they become poorer and life becomes more difficult. Somehow, Britain will protect them. Somehow, Britain will not let them down.

8. As farming people, they think in terms of generations. They believe that their grandchildren (or great grandchildren or great great grandchildren, depending upon the length of the leaseback) would never forgive them for relinquishing sovereignty of the Islands to the Argentines. They do not believe that, without a settlement of the dispute, their descendants might well not be here at all. Paradoxically, many of them say at present that if we were to hand over titular sovereignty to the Argentines in return for a leaseback, they would leave the Islands. They cannot believe that more people might leave the Islands if there was no settlement with Argentina. Many think that even to mention the possibility of handing over titular sovereignty in return for a long leaseback is an erosion of their title to the Islands and a tacit recognition of the Argentine claim. This has never been admitted before and they see no reason why they should be the ones to make the change now.

9. On the other hand, there are signs that reason might prevail over emotion, to the extent at any rate of agreeing that Mr. Ridley should explore the freeze and leaseback possibilities with the Argentines. Some influential senior citizens not hitherto renowned for their reasonable attitudes to the Argentines have spoken out in favour of a leaseback, and even two of the hard line Falkland Islands Committee have told me privately that they are in favour of exploring the leaseback possibility. The younger people particularly have greater expectations now than even five or ten years ago. They would not be prepared to go back to four mails a year, reduced social services and restricted communications with the outside world and they recognise the possibility of these things happening if no settlement is reached with the Argentines. Some hanker for independence now but most realise that they could not manage on their own. They see a leaseback as giving a breathing space during which the country could develop, the population increase and the economy thrive until, at the end of the lease, they would be able to stand on their own feet. They might press for some condition in a leaseback arrangement that would assure them of self-determination at the end of the lease. They would also want a guarantee that any Islander who, at the end of the lease, did not want to become Argentine, would be allowed right of entry into Britain. Finally, they would like an assurance under a leaseback arrangement that, if any subsequent Argentine Government broke the agreement, Britain would regard it as null and void and the position would be as if we had never handed over titular sovereignty.

Conclusion

10. Mr. Ridley's visit served a most useful purpose in making Islanders think instead of drift. As long as the Argentine pressure remained on the British Government and not on the Falkland Islands, they were happy to carry on pretending that the claim did not exist. As Mr. Ridley said, he was the bearer of bad news but not the bad news itself. He brought home to them that Britain could not go on stalling with the Argentines for much longer, that talking to the Argentines about sovereignty was not the fearful thing they imagined and that,

by making some concession on sovereignty, they might secure a more stable and prosperous life for themselves and their offspring than they were likely to enjoy without a settlement. They need time for this to sink in and they need guidance and leadership from their Councillors. So far, this guidance and leadership has been singularly lacking. For the moment, confusion reigns supreme, and particularly today of all days, which is the most important in the Falkland Islands calendar, the anniversary of the Battle of the Falklands, 1914. Each year on 8 December the Falkland Islanders celebrate Admiral Sturdee's defeat of Admiral Graf von Spee in a naval engagement off the shores of the Falklands which Islanders believe saved them from German occupation. It is a public holiday, with a religious service in Christ Church Cathedral, a march past and a wreath-laying ceremony at the battle memorial. The National Anthem is sung lustily (who in Britain knows the second verse by heart?) and patriotic fervour rides high. One of our more intelligent young Councillors, who was born ten years after the end of the Second World War, said somewhat embarrassingly to me afterwards that he had been deeply moved by the ceremony and had changed his mind about leaseback for the umpteenth time since Mr. Ridley's arrival. This conflict between the heart and the head continues at all levels in the community and, unless Councillors can soon make up their own minds, they are unlikely to be able to persuade their constituents one way or the other. I remain hopeful that the majority will eventually come down in favour of talks with the Argentines about sovereignty; but I am not sure that they will do so within the next few weeks. And I am less hopeful that we shall be able to negotiate terms for a freeze or a leaseback that will be acceptable both to the Argentines and to the Falkland Islanders.

11. I am sending a copy of this despatch to Her Majesty's Representative at Buenos Aires.

I am Sir

Yours faithfully

R. M. HUNT.

**VISIT OF THE HONOURABLE NICHOLAS RIDLEY, M.P.
MINISTER OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS,
22-29 NOVEMBER, 1980**

PROGRAMME

Saturday 22 November

- 1525 hrs: Arrived Stanley airport. Met by HE the Governor and the Acting Chief Secretary and introduced to Executive and Legislative Councillors.
- 1900 hrs: Drinks party to meet Councillors and their wives at the home of the Acting Chief Secretary.
- 2030 hrs: Dinner party at Government House.

Sunday 23 November

- 0800 hrs: Fishing on river Murrell.
- 1200 hrs: Call on Mrs. Perry (90th birthday).
- 1230 hrs: Lunch with Mr. Milne, Stanley Manager, Falkland Islands Company.
- 1430 hrs: Visit to site of new school hostel.
- 1530 hrs: Inspection of Darwin Road.
- 1930 hrs: Visit to m.y. *Copious*. Host: Mr. Julian Fitter.
- 2030 hrs: Dinner at Government House.

Monday 24 November

- 1100 hrs: Joint Councils' meeting in Government House Conference Room.
- 1300 hrs: Buffet lunch for Councillors at Government House.
- 1500 hrs: Visit to Sheep Owners Association at Barton House.
- 1630 hrs: Interviews with Mrs. Blyth, Mr. A. Betts.
- 1900 hrs: Drinks party at Government House.
- 2100 hrs: Dinner at Government House.

Tuesday 25 November

- 0930 hrs: Joint Councils' meeting in Government House Conference Room.
- 1130 hrs: Meeting with General Employees Union at their Office.
- 1230 hrs: Visit Royal Marines Detachment NP8901 for lunch. OC Major Robin Gilding, 2 i/c Lt. Philip Whitcombe.
- 1500 hrs: Meeting with Falkland Islands Committee at Rose Hotel.
- 1645 hrs: Meeting with young people of Stanley at Stanley Social Club.
- 1745 hrs: Taped radio broadcast for Falkland Islands Broadcasting Service.
- 1900 hrs: Reception at Town Hall to meet the general public. Host: Falkland Islands Government.
- 2100 hrs: Dinner at Government House.

Wednesday 26 November

- 0945 hrs: To Stanley airport.
- 1000 hrs: Flight to Darwin by Islander aircraft.
- 0920 hrs: Met by Mr. and Mrs. Hardcastle, General Manager, Falkland Islands Company.
(Camp time) Public meeting in Darwin and Goose Green Community Hall.
- 1145 hrs: By Islander to Fox Bay East.
(Camp time)
- 1205 hrs: Met by Mr. and Mrs. Cockwell, Manager, Packe Bros. and Company Ltd.
(Camp time)
- 1430 hrs: Public meeting with people of Fox Bay East.
(Camp time)
- 1630 hrs: By boat to Fox Bay West. Met by Mr. and Mrs. Knight, Manager, FIC, Fox Bay
(Camp time) West. Public meeting with people of Fox Bay West.
- 2000 hrs: Dinner party given by Mr. and Mrs. Cockwell.
(Camp time)

Thursday 27 November

- 1000 hrs: Flight by Beaver aircraft to Chartres. Met by Mr. and Mrs Luxton, Chartres Sheep
(Camp time) Farming Co. Ltd.
1100 hrs: Public meeting in Chartres shearing shed.
(Camp time)
1230 hrs: Lunch with Mr. and Mrs. Luxton.
(Camp time)
1400 hrs: Flight by Islander aircraft to Hill Cove. Met by Mr. and Mrs. Blake, Manager,
(Camp time) Holmsted Blake and Co. Ltd.
1500 hrs: Public meeting in Hill Cove Community Hall.
(Camp time)
1630 hrs: By Land Rover overland to Roy Cove. Met by Mr. and Mrs. J. Newell, Manager,
(Camp time) Bertrand and Felton Ltd.
1930 hrs: Dinner given by Mr. and Mrs. Newell.
(Camp time)
2000 hrs: Public meeting in Roy Cove Community Hall.
(Camp time)

Friday 28 November

- 0930 hrs: Flight by Beaver aircraft to Carcass Island. Met by Mr. and Mrs. McGill, Owner,
(Camp time) Carcass Island. Tour of the Island followed by lunch.
1400 hrs: Flight by Beaver aircraft to Green Patch Settlement to meet the new owners of the
(Camp time) farms within the Green Patch Scheme. Met by Mr. and Mrs. McPhee, Owner,
Whittington's Rincon.
1500 hrs: Public meeting in Green Patch Community Hall.
(Camp time)
1630 hrs: Depart by Beaver aircraft for Stanley.
(Camp time)
1750 hrs: Arrive Stanley.
1900 hrs: Meeting with commercial community at Upland Goose Hotel.
2000 hrs: Dinner with Mr. and Mrs. Growcott.

Saturday 29 November

- 0900 hrs: Interviews with Mrs. Stewart, Mrs. Hirtle.
1000 hrs: Joint Councils' meeting in Government House Conference Room.
1130 hrs: Interview with Mr. Patrick Watts for the Falkland Islands Broadcasting Service at
Government House.
1200 hrs: Press conference. Drinks with Councillors.
1430 hrs: Depart for Stanley airport.
1445 hrs: Farewell to Councillors in airport control tower.
1520 hrs: Departed for Comodoro Rivadavia.