

Handwritten by G.

① TV BLES

② Prime Minister



BRITISH POLICY TOWARDS THE FALKLAND ISLANDS  
IN THE LIGHT OF ARGENTINIAN PSYCHOLOGY

I attach a paper on the above in the light  
of our discussion yesterday morning.

I shall continue to work on the problem of  
Argentinian psychology & let you have additions etc  
when appropriate.

An Appendix, on the Beagle Channel dispute with  
Chile — nearly a rehearsal for the present crisis —  
will follow this afternoon

Lough Thomas  
April 21, 1982.

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April 21st, 1982

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I.

ASSUMPTIONS

The following assumes:

1. that the US will prevent the USSR (including her surrogates such as Cuba) from interfering physically in the South Atlantic - should it be necessary;
  
2. that the NATO allies (including the US) will cover the rear of Britain and so prevent the USSR from taking advantage in Europe of the temporary withdrawal of British forces to the South Atlantic;
  
3. that the other countries of Latin American will not do more than give moral support, via rhetoric or minor economic help, to Argentina; and
  
4. that the British fleet will be within effective striking distance of the Falkland Islands within a week.

II. CONSIDERATIONS: THE ARMY AND THE PERONISTAS

The present Argentinian government is military like most governments in that country since 1930. The Army

is not monolithic. The President was, as it were, selected by the other war lords all of whom have to be consulted on all important issues of policy. Several of them would be prepared, or are hoping, to take over from President Galteri. Even within each war lord's staff there are points of view which the officer concerned neglects at his peril.

The Army has now, in this phase, been in control since 1975 when General Videla overthrew Isabel Perón. Videla gave way to General Viola, his own nominee, who was not very successful and in turn gave way to Galteri last year.

The Army considers itself a successful institution since it crushed the two main terrorist groups in something like civil war (the left-wing Peronists, the Montoneros and the People's Revolutionary army who are "Maoist-Guerarists"). They did this with brutality and some of both the fascistic anti-semitism and the inhumanity of the terrorists characterised their behaviour - anyway at lower levels of command. Nevertheless the majority of Argentines are probably grateful to the Army for this victory.



The Junta is likely to put out that the only alternative to their rule in Argentina is a revived Peronista government. This is the view of many Americans. It certainly does seem to be true. If there were to be a free election, the Peronistas would win.

Old conservative or liberal statesmen may exist as in other Latin American countries but in Argentina they have no power base though some of these people have come out with expressions of fear that the consequences of an attack on the Falklands could be to push the Argentines into the hands of the Russians.

It is impossible to say what a new Peronist government would be like, since, like all Fascists, they are now by nature irrational: "a church of all the heresies", Mussolini himself described his movement. There are right-wing Peronists who might seek to keep Argentina in the western world; but the toughest and most ruthless are the left - the friends of the Montoneros or the Montoneros themselves, who, murderous and insensate though they may be, plainly hope to use the present crisis to return to the Argentina from which they fled - either to Cuba or in the case of one notorious assassin-leader Switzerland. Difficult though it may be to accept, the Army is better than this considering the long-term interests of the west as a whole.

The Argentinian armed forces have not gone to war against a foreign enemy since the Paraguayan war of 1865-70. This fact, combined with both their political power and their cult of the male hero (machismo) may make them specially reckless: they cannot know from practice what modern war is, even though so many officers have been educated in U.S. military schools.

The Argentinian government is not likely to concern itself greatly about loss of life to their own forces. They have no public opinion to worry about on that score - though a real military disaster would play into the hands of the Peronists. They have been living in a world of death and violence for a long time. Argentinian machismo is rather a swaggering thing. Galteri might have more chance to survive politically a military disaster too than a withdrawal of a position which he has taken up.

Most Argentinians admire the British way of life, and probably admire Britain more than they do any other country.

I find it difficult to estimate the role of Italians, who make up now over half of the Argentinian population.



They have been prominent politically during the years of political decline. Peron's real name was Peroni, and other persons of Italian origin have included (as well as Galteri) Lonardi, Illia, Guido, Viola - Italians have been specially important in the armed forces. The first and long-serving leader of the Argentinian Communists (Codovilla) was an Italian by birth. This Italian side of the Argentinian population must have increased their preoccupation with brava figura, may have brutalised them somewhat and may also have increased their contempt for the dignity of the state. The Italians concerned are probably mostly Neapolitan or Sicilian or Calabrian in origin. This is an exceptionally disagreeable thought since these people are traditionally dishonest, shiftless, cruel and without civic responsibility in Italy. Some of this may have been passed on.

Despite the success of the Junta against the terrorists they have in no way affected the severe intellectual moral and spiritual crisis which (in John Gunther's words) has affected Argentina since 1966. The word 'Argentinisation' in the Spanish world at least still implies left y right terrorism.

One of the characteristics of the Argentinian army is that once in power they behave as if they are politicians: they become interested in popularity. When things were



going ill for them in 1977, they whipped up enthusiasm for a war with Chile over the Beagle dispute. The threat of war with Chile was in many ways a rehearsal for the present crisis. It repays study. See Appendix I. where the issue is clarified.

The Argentinian generals - mostly graduates of US officer schools - have good relations with their US counterparts, Galteri's recent visit to the US being particularly well handled (apparently by the clever Argentinian military attaché).

(It is hard not to believe that some Argentinian generals let their US counterparts have some inkling as to what was being planned in March: Surely Costa Mendes the Foreign Secretary must have winked at least at Assistant Secretary of State Ender's after the latter's recent visit to Buenos Aires, that led to the great 'triumph' for the US of securing Argentinian military support, in the form of 18 men, in Central America).

### III. ARGENTINA AND ITS PAST

The knowledge of the recent economic, political and moral decline naturally causes shame and a sense of inferiority among all serious Argentinians who were precisely the Latin Americans who once looked down on the rest of the continent; who believed themselves justifiably the economic and political giants of the



continent; and who before 1930 enjoyed a life of tranquility, prosperity and political stability guaranteed by the great British commercial connection. To read James Bryce, for example, and hear how "loitering in the great Avinuda de Mayo ... one feels much nearer to Europe than to anywhere else in South America" is to be conscious of being present at an overwhelming tragedy - particularly acute since it is political mismanagement which has brought them all to this plight.. "Seldom has Nature lavished gifts upon a people with a more bountiful hand" Bryce concluded his chapter on Argentina.

Most Argentinians recall the history of their country which is intimately bound up with our own, in a way that we have forgotten (the importance of Trafalgar; the British failure at Buenos Aires 1806; diplomatic help to all new Latin American republics under Canning; British investment and commerce in the railway age etc).

#### IV. ARGENTINA AND THE REST OF LATIN AMERICA

The Argentines have not been popular in the rest of their continent since they have been traditionally so arrogant. Their arrogance has continued even now in the days of their economic and political decline. Argentines might speak in Buenos Aires of "going to Latin America", as if Buenos Aires were Paris. Mexicans mimic Argentinians' affected accent.

On the other hand there is a sense of belonging to a continent even in Venezuela, and this is a tricky thing to deal with diplomatically.

#### THE PROPOSAL

My suggestions for a settlement to try and take into account the above known characteristics of the Argentinian psychology would include the following:

1. the Argentinian forces to withdraw; but
2. no British troops would be returned to the islands - (since the marines were there only to defend the islands against the Argentinians they would presumably not be needed). The Argentinian government could make much of that change from the status quo ante.
3. we undertake (despite the aggression - surely itself a major concession) to negotiate from scratch.
4. An Argentinian Residence in the interior could be established on on the island. This "residence" would be able to fly the Argentinian flag and would act as the guarantor of Argentinian commercial interests. The word "Residence" is chosen because it is more than a consulate (which would be unacceptable to the Argentinians as designating foreign territory) but less than a governorship. The Resident would concern himself with

Arg. H. ...  
 ...  
 ...  
 ...



planning long-term economic collaboration.

5. A UN fleet would be established between Argentina and the Falklands; our task force would thus be withdrawn. The UN fleet - an innovation I think - would include the US but not the USSR or any Soviet bloc state.

6. Some Argentinian police might be allowed to guard the Residence - not more than six at most (they would have no other role).

7. A British deputy Governor to be appointed. He would not be Mr Rex Hunt. Perhaps he could be Spanish-speaking and instructed to establish good personal relations.

8. We express willingness to negotiate, from the moment 1 to 7 are implemented, over the long term future of the Falkland Islands (not the dependencies however) at the UN taking into account

1. our willingness to submit the issue of our sovereignty to the International Court of Justice;
2. our responsibility to secure self-determination to the islanders;
3. the infinite variety of possible long term solutions given good will; and

4. Our responsibility for Antarctic research etc in South Georgia and the dependencies (for which let it be remembered there is no Spanish name).

#### VI PRESENTATION OF THE PROPOSAL - A SPEECH

The package contained previously might be launched in a speech by you at a critical moment before fighting begins (see VII below). The speech should be intended to make an impression on world public opinion as well as on the Argentine. Points to be mentioned in this speech might include:

1. warm recognition of the old collaboration between Britain and Argentina in the past. Argentinians, remember, know all this very well, think it important, and we should show that we recall it too
2. Reaffirmation that with the best will in the world we cannot do other than believe in our own present sovereignty in this issue as interpreted by all international lawyers. As reasonable people - stress this - all must realise that we would be striking a blow at international law everywhere if we were to give up on this. Law really is what Britain stands for.



3. Our people in the islands have been there since 1842 (the date the colony was founded). At that date the ancestors of many South Americans were still in Italy or Spain - so that we must look on the islanders as having as good a right to be there as any
  
4. recognition of the part played by military government in preventing Marxist presence in Argentina. This is the real issue isn't it? Marxism as we all know is the real evil and Russia and her surrogates the real colonialist. (This point is intended for Reagan supporters as well as Argentinian) Here surely is the real threat to the Monroe doctrine.
  
5. We understand Argentina's - and other Latin Americans' - feelings about the "continent". But frankly the Falklands cannot be regarded as part of the "continent" in the terms mentioned in the Treaty of Rio.\* There are several territories (specify?) in the Americas which are open to more doubt than are the Falklands (Cayenne?). Once we begin to talk of 'imperialism' too surely some strange morals could be drawn by American Indians.

\* Article 4 of the Treaty: "The regions to which the Treaty refers are the North and South American continents and Greenland and an area of Antarctica."

6. The self determination issue really is important. In all negotiations leading to independence in the dependent territories, we have given this priority. General Assembly Resolution 1541-XV enshrines the principle (12.12.1960) as does the Civil and Political Rights Covenant (Article 1) of the Economic, Social and Cultural Rights Contract (Article 1): "all peoples have a right of self determination".
7. Perhaps you could harken back to the events of 1841 when the Argentinian President General Rosas offered to give up their claim to the Falklands in return for our abandonment of the debt of the 1820s contracted via Baring's.

#### VII TIMING OF THE PROPOSAL

I presume that it will be possible for the Navy on arrival in the vicinity of the Falklands, to invest the islands further by e.g.

1. extending the blockade to affect military and civilian aircraft; and/or
2. arranging a blockade to cover all merchant shipping.

I also presume (on the evidence of press reports etc and conversation with Lord Shackleton) that a similar investment of South Georgia might be easily managed; I do not know how easy a re-occupation of South Georgia



would be nor whether the south Sandwich islands and other dependencies offer any problem at all.

The proposal could sensibly be launched at three separate moments:

1. now;
2. after the measures envisaged in(1) of the previous paragraph;
3. after the measures indicated in(2) of the previous paragraph;  
theoretically
4. after a successful invasion of the Falkland islands.

My preference would be for the proposal to be timed at moment (3) - i.e. after the measures to effect a successful re-conquest of South Georgia and the dependencies.

#### VIII OTHER POLICIES

It stands to reason that Government information services should be adequately briefed beforehand firmly and imaginatively to put over these plans throughout the world as the best way to guarantee the rule of law.

It might also be that the presentation of the plan could be accompanied by private attempts to sell it e.g.

1. by semi diplomatic conversations between British and Argentinian elder statesmen. I confess that the only person with any credibility in Argentina is General Videla who, though, I believe, not very

... is generally thought of as honourable;  
...plementary efforts at the UN. For example  
... Security Council could be asked by us to ask  
... International Court of Justice for an opinion  
... case.

#### THE FALKLANDS

... these policies fail then it presumably  
... to mount a landing on the Falklands

... essential if this were to occur that  
... should be ensured beforehand:

... however violent should be brief;  
... should characterise victory; and  
... proposals for negotiations should be  
... at the same time as victory - perhaps  
... missions than contained in Section III.

Hugh Thomas



① Mr. Giles  
② PM.

THE BEAGLE CHANNEL DISPUTE

After a brief period of cooperation in the 19th century in order to terminate Spanish domination in South America, Chile and Argentina became and traditionally remained rivals, despite some obvious points of similarity. Both, for example have military governments and both are overtly anti-communist. (President Videla, unlike Pinochet was always careful to condemn subversion in terms of 'nihilism' rather than 'communism'; a phenomenon explained perhaps by the desire for good relations with the USSR already manifested by the presence in Argentina in 1976 of an exhibition called The Soviet Union Today.)

Certainly in November 1976 the two countries were on sufficiently good terms for Videla to visit Santiago and to announce with Pinochet a joint declaration and 16 bilateral commercial accords. These were essential to both countries. Chile's economic exchange had fallen from a peak under Popular Unity of \$500 million.\* Furthermore a hundred years after the "War of the Pacific" in which Peru and Bolivia had lost vast tracts of land to Chile, the threat of war from Peru at least was a continuing threat, while the advent of the Carter administration firmly set against dictatorships underlined the need for new support from her neighbour.

Argentina looked to Chile for new markets in a period in which glut of corn meant falling world prices and relished the use of a free-port in Chile to open up trade with Peru, Colombia and especially Japan. In return for her corn, Argentina was to receive minerals and gas. There was thus, in November 1976, an unusual degree of amity between Chile and Argentina.

This peaceful interlude was broken in 1977 by the long awaited results of arbitration on the sovereignty of the Beagle Channel due to be announced in May.

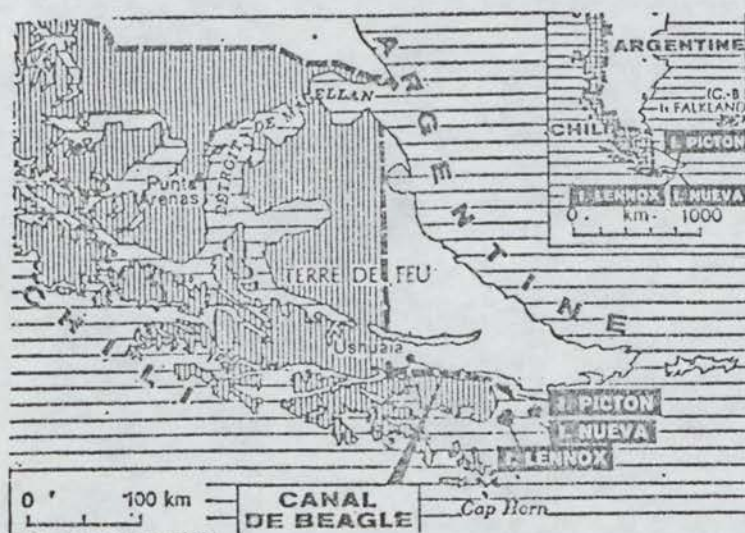
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\* Chile had decided earlier that month to withdraw from the Andean Pact (an economic grouping of countries to the north of Chile).



In expectation of the result, President Pinochet sailed aboard the Chilean Naval vessel Aguiles to an area of the Antarctic claimed by both Argentina and Chile and announced that this voyage was 'to ratify Chile's claims'.

The area under dispute between the two countries contained in particular three islands, Picton, Nueva and Lennox, near the mouth of the Beagle Channel on the Atlantic side. (See Map) By a treaty of 1881 all islands to the south of the Beagle Channel including Cape Horn were deemed to belong to Chile. Argentina based her claim on the fact that she could not legally navigate the channel without territorial rights over the islands.



By a treaty of 1902 both countries pledged themselves to seek the arbitration of the British monarch in any dispute of territory arising between themselves. In 1902 that made sense since as most of the navigational charting and sounding of the area had been performed by the British navy. Moreover, Britain was looked on as neutral having invested and built railways in both countries. Sixty years later neither of these assumptions could go unchallenged.

In 1972, the Allende government in Chile invoked the treaty of 1902. Queen Elizabeth II deputed her responsibilities to a five-judge court whose members were drawn from Britain, France, US, Sweden and Nigeria, which was presided over by Sir Gerald Fitzmaurice. The court convened in Geneva. It sat for six years examining much evidence including over 400 charts of the area which they themselves visited.



For the protagonists the issues at stake were for both prestige; possibility of oil and gas; and access to Antarctica.

For Chile: access to the Atlantic which she lacked, and the size of the Antarctic sector which she might claim if, awarded the islands, she were then to invoke the new 200 mile economic zone now claimed by all coastal states.

For Argentina: the Beagle Channel meant command of the approach to Ushuaia; the capital of Tierra del Fuego (population 5,000); the world's most southerly town and an important base for the Argentine navy.

On 2 May 1977 the court found in favour of Chile, unleashing tremendous anger in Argentina, much of which rebounded on Britain which was no longer regarded as a neutral and impartial country as we were ourselves held to be in conflict with Argentina over the issue of sovereignty of the Falklands. The decision was immediately rejected by the Argentinians whose Foreign Minister announced 'no treaty forces us to abide by what affects the vital interests of our nation'.

Nevertheless it was believed in some quarters that the Argentinians might grudgingly immediately have accepted Chilean sovereignty had it not been for the provocative jubilation of the Chileans who published new maps of the area showing how far the new 200 mile territorial waters limit opened up the South Atlantic to them, (see map below), bringing in two more islands, Evout and Barnevelt.





This was unacceptable both to Argentinian prestige and strategy, and a storm of public protest broke out.

The Chilean Foreign Minister, Patricio Carvajal, meanwhile expressed pleasure that the matter had been settled by peaceful litigation - but his President called up reservists. The former Peruvian Foreign Minister General' Edgardo Mercado Jarrin asserted the impossibility of Argentina accepting the verdict - Peru also had a territorial dispute with Chile and the two countries had been on the brink of war for several years. By 19 October, eight notes protesting incursions by air or sea had been exchanged between Argentina and Chile, while talks between the two countries began against a background of apparently serious mobilisation and stock-piling of war material. After the first mission to Chile by Rear Admiral Julio Torti it was arranged that the two Foreign Ministers should meet.

Argentina declared that she would announce her decision as to whether or not she would formally accept the arbitration verdict of May 1977 by 2 February 1978. Chile had now become increasingly isolated by the UN resolution on Human Rights of December 1977 and her continuing dispute with Peru. 'Chile is a long, narrow country - I fear lest it become a short, narrow one', Armando Urribe, an ex Chilean ambassador to Peking was quoted as saying.

The meeting between the Foreign Ministers was not a success. The sticking point was the extension of 200 miles by Chile which, according to Argentina, infringed both the Treaty of 1881 and the Protocol of 1893, which established the division of the Pacific and Atlantic oceans along the Cape Horn meridian and which states 'Chile may claim no part towards the Atlantic ocean, nor the Argentine Republic towards the Pacific Ocean'. Yet the Argentinians were now prepared to acknowledge Chilean sovereignty over the three islands provided Chile renounced her claim to the 200 mile economic zone in the Atlantic and to other small islands reaching as far south as South Georgia.

On 19 January 1978, Generals Videla and Pinochet met at the Argentine air base near Mendoza, but the ten hour summit meeting failed to bring progress. Talks



would, however, it was announced, continue. Meanwhile the dispute was to be frozen indefinitely, On 20 February the Argentine 5th Army went on exercises in Patagonia. On 21st Pinochet and Videla signed an agreement envisaging three stages of negotiations, to be carried out by Committees assigned to (1) promote harmony, (2) delineate maritime space and arrange cooperation over natural resources. and (3) find ways of instrumenting the agreement. Yet on 22 February Pinochet made a most provocative announcement saying that the first arbitration decision was final and could not be discussed.

Both countries now did what they could to equip themselves heavily with war material while the Argentinian Defence Minister announced his intention to restore to Argentine sovereignty the three islands occupied by Chileans. The Argentine press made much of remarks made in the 19th century by Comodore Rivadavia about alleged Argentine sovereignty of the Falklands, South Atlantic and Antartica.

Despite this sabre-rattling a joint commission was set up in August in an endeavour to come to agreement. But the Argentinian navy became increasingly hawkish and the government took up generous amounts of commercial air time for propoganda on the theme of national sovereignty and territorial right. South Argentinian cities practiced blackout and the 2nd November now set as deadline for agreement.

At this point Church leaders in both countries spoke out in joint declaration for a peaceful settlement, and senior UN officials with Kurt Waldheim joined them in a last minute effort to avert war. General Pinochet sent yet another (of several) messages to Buckingham Palace expressing thanks for the arbitration verdict.

The problem had already become the appetite for was of military men eager to fight the battles for which both countries had now prepared. Practice blackout of Buenos Aires was prepared to 24 October. Argentina was believed to have troops outnumbering those of Chile by 10 to 1. Yet the 2nd November deadline passed without agreement. In despair, sixteen intellectuals - eight from each country called for independent arbitration but candidates for thepost (declined by the King of Spain) were not easily come by. The Chilean proposal to ask the Pope was rejected by the Argentinians who the next day agreed toaccept a Papal delegate and Cardinal



Antonio Samore was appointed to the unenviable task.

On 3 January the Cardinal presented a plan which would give Chile sovereignty over the islands but curtail her claim to territorial waters. Both parties were asked to move battle fleets back and demobilise the long border. The Agreement signed on 9th January by the Foreign Ministers, Herman Cubilles of Chile and Cortes Washington Pastor of Argentina declared 'The two States will not use force in their mutual relations and will gradually restore the military situation to that existing at the start of 1977. A Vatican Commission worked throughout the year until in November agreement was reached.