



Foreign and Commonwealth Office

London SW1A 2AH

29 April 1982

Dear Sir,

Beagle Channel

/ I enclose as requested a background note on the Beagle Channel dispute between Argentina and Chile.

Yours ever

(J E Holmes)

Private Secretary

A handwritten signature in dark ink, appearing to read 'J E Holmes', written over the typed name and title.

A J Coles Esq
10 Downing St



BEAGLE CHANNEL DISPUTE

BACKGROUND NOTE

1. Argentina and Chile have long been at odds over the application of their nineteenth century boundary treaties to the geographically complex area of small islands and narrow straits off the mainland at the southern tip of South America.
2. In 1971 both parties to the dispute asked the British Government, as the arbiter agreed under a General Treaty of Arbitration signed by both Argentina and Chile in 1902, to act in that capacity. (This 1902 Agreement superseded an earlier treaty of 1896 which had conferred a similar function on the Government of Queen Victoria.) The British Government accepted and, in agreement with the two parties, appointed an independent International Court of Arbitration, consisting of five Judges of the International Court of Justice, to decide on the dispute.
3. In 1977, the International Court of Arbitration awarded to Chile the three islands claimed by both sides at the north-eastern end of the Beagle Channel, south of Tierra del Fuego. The award was denounced by Argentina as null and void. A series of bilateral talks in 1978 failed to establish a basis for agreement. Argentina came close to military action to assert her sovereignty in the disputed area. The danger of hostilities was averted by an initiative by the Vatican, just before Christmas 1978, in sending an envoy, Cardinal Samore, to Chile and Argentina. His mission led to a détente and a formal request from both countries to the Holy See to mediate and help them to find a peaceful solution.
4. The Papal mediation has continued intermittently since the beginning of 1979. In December 1980 the mediator put to both sides a solution virtually identical to that recommended by the International Court of Arbitration. Chile accepted this proposal almost immediately but the Argentines have consistently refused to give a direct answer, preferring instead to drag the process out as long as they can.

/Earlier



Earlier this year the Argentines abrogated a treaty which they had signed with Chile in 1972 which was essentially an agreement by both countries to submit all disputes between them to the International Court of Justice. Argentina clearly feared that the outcome of any reference to the ICJ would be as unacceptable as the award of the International Court of Arbitration. It remains unclear how the Argentines propose to continue to handle the dispute, given their lack of international support; but we know that the Chileans are worried that the Argentines may move to occupy the islands in question, particularly if they lose face over the Falkland Islands and have to look elsewhere for a foreign policy success.