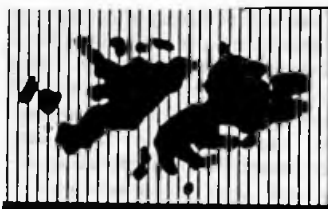


**'Political killing**

A COMMUNIST Party leader in Buenos Aires has been found shot dead near his home in what aides said was a political crime. The victim was Osvaldo Villanueva, a municipal union leader from Lanus. — AP.

**Morr (Falklands) Limited**

Lloyds List  
26 June 1987



## **Marr (Falklands) Limited**

**GENERAL MANAGER**  
(Director designate)

The Marr family companies, leaders in the British fishing industry, have pioneered a British presence in the Falkland Islands fishery which, as Marr (Falklands) Limited, has created a substantial new business venture. A top-level executive is now sought to lead and expand this company.

Marr already have extensive interests in fishing vessels, fish processing, world wide trading and various other maritime activities. Marr (Falklands) Limited is involved in joint venture fishing operations with the Falklands Islands Government and overseas fishing fleets, reefer operations, crew training and fish marketing.

The Falkland Islands ventures are seen as an exciting long-term growth prospect for Marr in which the new senior executive will not only manage the existing operations but spearhead the future growth and investment.

The post is located on Humberside but will call for extensive international travel. The target age range is 35-45 with experience of senior commercial management ideally, but not necessarily, gained within the fishing or maritime industries.

An attractive remuneration package will reflect the responsibilities of the post and the achievements sought.

Applications, with CV, to:

**The Company Secretary**

**Marr (Falklands) Limited**

**St Andrews Dock, Hull HU3 4PN**

RAF News 26 June - 9 July 1987

## *Hectic visit to the tropics*

These striking pictures show two scenes from Ascension Island to which five gunners from No 2624 (County of Oxford) Squadron of the Royal Auxiliary Air Force, Brize Norton, paid a "working visit" recently. They show (left) the gunners building a defensive position against an impressive mountain backdrop and (below) starting on the Dew Pond Run which they did within hours of arrival among some rather better acclimatized competitors. How the trip came to be made and what else the party did on the Island is related on Page Three.

Photos: John Readshaw



# Oggies pay working visit to Ascension

Five Gunners — Oggies, for short — from No 2624 (County of Oxford) Squadron Royal Auxiliary Air Force, based at Brize Norton visited Ascension Island recently.

The story starts when it was heard that Wg Cdr Dick Parsley, was leaving as OC Ops at Brize Norton to go as Commander British Forces in Ascension. OC 2624 Squadron suggested that once Wg Cdr Parsley was in post, some of the squadron's auxiliary members could make a working visit.

11Q Strike Command took up the idea and sought agreement for all the auxiliary regiment squadrons to send detachments to other overseas areas where the RAF has a presence. The precedent had been set; there were Territorial Army personnel on attachment to Regular Army units around the world.

So it was that a technician from Oxford Polytechnic's Civil Engineering Dept, a bank clerk, a satellite controller, a student and a sales engineer, all from the

heart of England, came to be flying to Ascension in an RAF Tristar. And, if the Gunners thought the trip was going to turn into a "jolly", they were mistaken!

Within hours of arrival they were racing together with 140 other better acclimatised servicemen in the Dew Pond Run, followed by a disco in the NAAFI that evening.

## PROJECTS

With barely hours to recover, the team were given their tasks by Wg Cdr Parsley. It was a full programme of projects: defence positions to be selected, sited and constructed; a full study for an overhaul of the island's Ground Defence Operations Centre, and help with one of the community projects. All within the week.

Under the direction of Sgt Baz Baskerville, the team got to work. Cpl Donna Readshaw's skills as 2624 Sqn's NCO IC Signals and Command Post Section were put to use in the study for modernising the Ground Defence

Control Centre, while the rest of the team did a survey of the defence positions and made a start on their refurbishment.

Community work included clearing Elliot's Path. It had been originally cut in 1840 around the summit of Green Mountain to give warning of approaching ships. Clearing it proved hard and hot work.

The group had the rare chance to see some turtles come ashore to lay their eggs. They even saw some other eggs hatch with the baby turtles struggling back to the sea.

LAC David Williams, a student at Coventry Polytechnic, went deep sea fishing with the crew of a visiting tanker. When the chance to visit the NASA tracking station arose, SAC Dave Ewart was keen, even if it was a "busman's holiday" for him. In civil life he is a spacecraft controller.

Another event of the detachment was their volunteering to act as observers during a Hercules sea-search sortie of eight hours looking for a missing yacht.

## New Armed Forces Minister named

MINISTERIAL CHANGES announced following the General Election include the appointment of Mr John Stanley, formerly Minister of State for the Armed Forces, as Minister of State for Northern Ireland.

Mr Stanley's post at MoD is now taken by Mr Ian Stewart, aged 51, who was Economic Secretary to the Treasury from 1983. He is also a former Under Secretary for Defence Procurement and PPS to Sir Geoffrey Howe, the Foreign Secretary.

Mr George Younger continues as Secretary of State for Defence, and his "team" is completed by Lord Trefgarne (Minister of State for Defence Procurement), Mr Archibald Hamilton (US of S for Defence Procurement) and Mr Roger Freeman (US of S for the Armed Forces).



# Devon crabber Falklands-bound

**A DARTMOUTH crabber will be moving to new fishing grounds at the end of July — in the Falkland Islands!**

*Laura Jay*, a Napier 36, has been bought by Falkland Seafood Ltd., part of the Hull-based company Witte Boyd Holdings, to work on the crab fishery in the Falklands. Her skipper and former owner, Brian Whitehead, is going out to the Falklands with two crewmen to operate the crabber for Falkland Seafoods.

Also going out to join the project is Brian Hardy, a former processing factory manager for UK Foods, who will be running a crab processing factory at Port Stanley.

*Laura Jay* will be shipped out to the Falklands on July 23 from Sheerness and should be there in about 28 days. Mr. Whitehead and Mr. Hardy and the crew will fly out and a second boat, ACV, will be sent out in January.

The two vessels are sister ships, built by Bryce Waterhouse and launched on the same day in 1983.

Crab have been fished in the Falklands over the last couple of years by the Grimsby-based company Fortoser. It sailed the former seiner *Coastal Pioneer* there to research the potential for the fishery on a project financed by the Falklands Islands Development Council.

An abundance of the small, red Chilean crab, (*Paralomis Granulosa*) was found in many of the inshore waters round the Islands.

Skipper Whitehead told *Fishing News*: "We saw in *Fishing News* that Witte Boyd were looking for crabbers, so we phoned up and arranged a meeting, and it went from there."

The prospect of working in the Falklands appeals because fishing locally has become "a bit like working in a factory" since the introduction of fixed boxes for working static gear, said Skipper Whitehead.

All the interest and excitement of the hunting aspect of fishing had gone, because boats now have a fixed area where they can work, and fishing at the Falklands will be "the complete opposite — what fishing is really all about, hunting."

Skipper Whitehead, who has been a crab fisherman for eight years, said he had taken his boat up to Scotland a couple of times recently, partly for the interest, because fishing in boxes had become so dull.

Another reason for going to the Falklands is that Skipper Whitehead sees little future for inshore crabbing locally. "The way fishing is now, you have to move up to a much bigger boat, with the investment that involves, and work offshore, or go out — there's no future on the inshore grounds," he said.

A lot of younger men in particular are very interested in the Falklands venture, because it is almost impossible now for them to get into

the industry with their own boats, in view of the size of boat and power needed nowadays. The Falklands could offer a way into crabbing with a boat within the financial reach of younger men.

*Laura Jay* has a Thornycroft 381, 115hp engine, as has ACV, and a complete spare engine will be taken out and 'cannibalised' for spares for the two boats as required, with the spares used then being ordered.

She has a 1½ ton Hydroslave hauler and a 3½ ton vivier tank, which will hold 1.75 tons of crab, although Skipper Whitehead does not envisage this being needed initially, as he will be landing daily. He has fitted an extra radar, a Furuno 24 mile daylight viewing set, and a Furuno colour sounder will be installed. An Icom SSB radio is also being fitted, and a CB set.

Skipper Whitehead will be taking a sextant as well, because modern navigational aids like Decca do not exist



*Laura Jay* gave an even more international flavour to the race. She will soon be working round the Falkland Islands.

Cont../

Fishing News  
26.6.87



Skipper Brian Whitehead (left) and Brian Hardy will be flying out to the Falklands in a few weeks.

in the Falklands. He stressed the need for any skipper there to be a man capable of carrying out repairs to all the equipment on the vessel, because of the lack of facilities.

He will be taking some of the inkwell pots used locally, plus 250 creels with a door which can be opened to tip out the crabs.

"From what we can see of the amounts we are likely to catch, it will be a very slow job to take them all out of the pots one by one, so we're taking the creels to speed up the job," he said, adding that he had experience of them when working in Scotland.

He said that it does not look as though catching the crabs is going to be any real problem — rather the handling, processing and marketing will pose bigger problems.

There is an abundance of ray and skate on the inshore grounds for bait, which can easily be caught with lines, although sheep meat was often used on the previous project with carcasses bought for £1 apiece!

The factory side of the operation will be run by Brian Hardy, who was the manager of UK Foods, which took over Torbay Shellfish Co. in 1985.

Processing will be carried out in a 4,000sq. ft. ex-seaplane hanger, which was used during the pilot project and which will be re-equipped with new equipment due to be shipped out at the end of the month. This includes a blast freezer, plate freezer, and Hydrovane compressor for extracting the crabmeat with compressed air.

The aim is to produce low-weight, small volume products with high added value which can be transported to markets in Europe and North America. There is also the possibility of producing vacuum pack products for the

Japanese market, said Mr. Hardy.

One obstacle to be overcome in this aspect of the operation will be to involve and train local labour to work in the factory, as there is no history of commercial fishing in the Islands.

Brian Whitehead, who will be going out for an initial hundred day period, said that he has every confidence in the potential of the project. "We have tasted the meat from the crabs and it compares very favourably with top quality Devon crabmeat. We've explored all the possibilities and we believe this is 'a goer'," he said.

The boats will be based in Choiseul Sound, which is about 30 miles away from Port Stanley and the factory.

Bigger vessels may be used eventually, with longer trips and vivier operations, but to begin with Skipper Whitehead does not envisage having to work any further offshore than about five miles.

Another local man who is involved in the project is Bruce Bennett of Paignton, skipper/owner of *Helen Claire*, who will be going out to the Falklands in the early stages of the project in an advisory capacity. His involvement came after he was contacted by Seafish (SFIA) to see if he would be interested in taking his boat there, but he felt that at this stage his boat could be a little too big.

If the project goes well bigger vessels could become involved, said Brian Whitehead, adding that Bruce Bennett's involvement in the project is "very helpful".

One of the two local crewmen who will be working *Laura Jay* is 18 year old George Congleton, who has been with Skipper Whitehead since he left school.

## Argentina to ask IMF for target waiver

By Tim Coone in Buenos Aires

ARGENTINA is shortly expected to request a renegotiation of the conditions signed in a letter of intent to the International Monetary Fund in January this year for a standby loan of \$1.35bn and \$480m in compensatory finance for falls in export earnings.

The IMF has still to disburse any of the loans because they are conditioned on a "critical mass" of the \$1.9bn being committed in fresh money by Argentina's commercial creditors. Last night Citibank and Argentina announced that 96 per cent of the funds had been promised by the banks. A bridging loan for \$500m from the US and various European countries was made available last March until the IMF and commercial bank funds are released.

Disbursement of the loans is conditional on the government meeting agreed quarterly monetary and fiscal targets and failure to do so requires a request for a waiver from the IMF, and new targets to be set for subsequent quarters.

According to treasury figures, the fiscal deficit for the first quarter of 1987 was australs 819m (£285m), 60 per cent above the austral 500m target agreed in the letter of intent. The second quarter deficit is also expected to be substantially higher than the agreed figure of australs 650m due to unexpected falls in tax income and delays in implementing a tax amnesty to repatriate assets deposited overseas.

## Plan for a merchant navy reserve

By John Petty, Shipping Correspondent

THE MAIN PURPOSE of the Merchant Shipping Bill will be to ensure that Britain could again mount a Falklands-style campaign if necessary. More merchant ships than warships were needed in the Falklands.

Since then, the Merchant Navy has shrunk so much in size that many shipowners doubt if they could repeat the operation.

Ships have been sold or switched to foreign flags and there is a potential shortage of experienced British seamen to serve the nation in time of emergency.

The plan is to have a merchant navy reserve, in which the Government will help to pay for training of seafarers.

The merchant navy now has less than 500 ships, compared with 1,100 at the time of the Falklands campaign.

### Exchequer policy

The decline has been accelerated by the policy of Mr Lawson, Chancellor of the Exchequer, who ended traditional tax concessions to shipowners which had been a common policy of both Labour and Conservative chancellors. The concessions designed to help match those made by foreign governments to their merchant fleets.

Another part of the Bill will provide cash to help shipowners with the cost of flying out and bringing home relief crews for ships serving in distant waters.

There will also be provision for control over ships registered in colonies, such as Gibraltar.

# Immunity law fails to mollify Young Turks of Argentina

By Isabel Hilton  
and Judith Evans

THE ARGENTINE Supreme Court this week upheld the controversial law which grants immunity to hundreds of military officers accused of human rights violations under the dictatorship. On Tuesday Lieutenant Alfredo Astiz went free and yesterday Major Ernesto Barreiro, the man whose refusal to answer charges sparked off the Easter rebellion, was released. Yesterday morning unknown groups placed 14 bombs in a series of Radical Party offices, apparently in protest against the law.

Charges against 350 other mid-ranking officers will now be dropped, but it seems that even this law will not still the discontent in the barracks which exploded in the Easter rebellion. The officers who led that rebellion complain of a fundamental gulf between the armed forces and the government. If that gulf is not bridged, they say, Argentina's armed forces will remain dangerously unco-operative.

Major Ernesto Barreiro is a key figure among the Argentine army's young Turks. He is 39 years old, has 25 years' army service and, until yesterday, faced charges of illegal detention, torture and homicide.

In his first newspaper interview, Major Barreiro told *The Independent*: "It would be easy for me to accept this law... but the real problems are institutional, and this law does not move us closer to solutions."

The trials of the men who gave the orders will continue. But more important to Major Barreiro is what the trials represent. "These trials are... a political tool that is being used to damage the armed forces as an institution," he claimed. He insists that his views are shared by the majority of younger officers, a claim confirmed by others who participated in the rebellion and for whom Major Barreiro is a hero.

The Easter rebellion was the result of a deadlocked misunderstanding between President Alfonsín's government and the armed forces about what the role of the armed forces in a democracy should be. Neither side has proved capable of answering this question, which is crucial in a country where, for 50 years, every elected government has been overthrown by a coup.

President Alfonsín came to power knowing only that he did not want the armed forces to have political power or the possibility of recovering it. The armed forces, for the moment at least, agree. "If Alfonsín leaves the door to Government House wide open it is because he wants a coup attempt," said one captain, "and... not one military officer will show up."

But President Alfonsín ap-

peared to have little idea of what he did want from the armed forces and nearly four years later government policy is no clearer.

As one civilian analyst put it: "When the Radicals were elected, they had only two paragraphs in their military policy and they contained words so confusing that even now people argue about what they mean."

The government had two proposals: to end the autonomy of the three branches of the armed forces, and their perpetual infighting, and to end conscription and create a modern, professional army. But this required a concrete programme which could win the respect and co-operation of the military side, and this the government lacked.

The government's confusion met an equal confusion within the armed forces. The junior officers were professionally disillusioned with their high command and the armed forces were weak,



Lieutenant Astiz: Goes free

humiliated and divided. The mid-ranking officers largely voted for President Alfonsín, in spite of the anti-militaristic reputation of the Radical Party, while the generals voted for the more comfortable option of the Peronists.

The junior officers, according to civilian analysts, awaited with some enthusiasm an elaboration of the government's plans. They are still waiting, they say, but now with suspicion and resentment. Instead of a constructive dialogue, they argue, they have suffered three years of social opprobrium and economic hardship and are no nearer understanding what is expected.

To make matters worse, the middle-ranking officers saw themselves carrying the can for the "dirty war", in which they believe they did society's bidding, only to be betrayed. "The juntas can — and perhaps should — be imprisoned for other reasons: economic policy, the conduct of the Malvinas War, but not for the

fight against subversion," explained a captain.

For them even a full amnesty, would not be enough. As the other rebel leader, Lieutenant-Colonel Aldo Rico, said: "Military men have been detained and ridiculed only for having fought and triumphed in a just and necessary war, thanks to which the present regime has power." These officers will only be satisfied when the "dirty war" is recognised as a victorious defence of national interests.

Major Barreiro argues that he was forced into the political debate because the government has lowered the prestige of the armed forces and cut the military budget to the bone. "No military professional wants to remain in the armed forces if he cannot fulfill his role as a military man," he said.

Since the government has not assigned them a role, the officers argue that they have been dragged into an analysis of government policies. Their conclusions betray their profound political mistrust of the government.

The officers frankly disapprove of the government's foreign policy and want the military to have a greater say in foreign affairs. The Radical government has defused two potential military conflicts by settling the Beagle Channel dispute with Chile and proclaiming the non-use of force in the Falklands. But the red rag to the military bull was the fishing agreement with the Soviet Union concluded by the Foreign Minister, Dante Caputo, which, they believe, confirms the Marxist leanings of the government.

All the officers fervently support Argentine claims to the Falklands, but believe that a shared anti-communism should somehow lead Mrs Thatcher and Argentina towards an agreement. Major Barreiro believes that if military thinking was brought to bear on the Falklands there would be a more speedy solution.

According to Major Barreiro, the drastic reduction of the importance and efficiency of the military, which he believes is the government's aim, would leave Argentina "horrendously vulnerable" in the continuing East-West conflict which he believes is being waged in Argentina and the rest of Latin America.

"If these men have one obsession," said Major Barreiro of the Easter rebels, "it is communism." It is an obsession which makes them unreliable supporters of the present government. "We call ourselves republicans," said Major Barreiro, "because, like the armed forces in any other Western nation, we could not accept a left-wing government, even if it was elected; that is a complicated problem for democracy."



Thursday 25 June 1987

### Office blasts

BOMBS shook 15 offices of President Raul Alfonsin's Radical Party early yesterday, hours after courts lifted charges against 48 military officers accused of human rights violations under the former military government. The explosions caused heavy damage at some of the offices, located in Buenos Aires, Rosario, Tucuman and Mendoza. — Reuter.

### **Argentina blasts**

OFFICES of Argentina's ruling Radical Civic Union Party were bombed in six cities yesterday in apparent protest against an amnesty law exempting nearly 200 military and police officers from human rights trials, authorities said. There were no injuries reported in the blasts.

## Bomb attacks hit Argentina

BY TIM COONE IN ARGENTINA

A SERIES of apparently co-ordinated bomb attacks in various Argentine cities early yesterday damaged 15 local branches of the ruling political party, and an office of a human rights organisation.

There were no victims. No organisation has yet claimed responsibility for the attacks, which happened within 24 hours of the supreme court ruling that the controversial "due obedience" law was constitutional.

Following the ruling, more than 100 military and police officers who faced possible prison sentences for crimes of murder, torture and illegal abduction during military rule, have had all charges against them dropped and immunity against future prosecution guaranteed under the terms of the law.

In the coming days, a further

200 to 250 military and police officers are expected to have charges dropped.

One suspect who was released from custody yesterday under the new law, was a naval lieutenant, Alfredo Astiz. He faced a total of 18 charges and was found responsible in an earlier trial for the kidnapping of a young Swedish girl, Dagmar Hagelin in 1977, who later disappeared. Lt Astiz could not be sentenced as the charge for the crime had run out.

An open verdict was made regarding the girl's alleged murder as her body was never found. Her case is similar to those of some 9,000 others who disappeared following abduction by security forces between 1976 and 1983. Lt Astiz's name has also been linked to the disappearance of two French nuns during military rule.

## Bombs hit Argentina

**Buenos Aires (AP)** — Sixteen bombs exploded across Argentina yesterday in the aftermath of a Supreme Court ruling upholding the law that freed at least 180 officers and security agents charged with human rights abuses in the 1970s.

Police reported no injuries in the pre-dawn bombings, most of which occurred at government party offices in this city of 10 million, as well as in Córdoba, Mendoza, Rosario, Tucumán and two cities in the province of Santa Fe.

Officials blamed right-wing terrorist "intimidators" but the far left was also came in for blame.

## 'Argentine military charges dropped

By Tim Coone in Buenos Aires

THE ARGENTINE government's controversial "due obedience" law was ruled constitutional by the Supreme Court early yesterday. The ruling means that charges will be dropped against most of the 370 military and police personnel accused of crimes of murder and torture, committed during the military regime of 1976 to 1983.

Only 30 to 50 senior officers, most of them now retired, and who were then in charge of military operations, will continue to face charges.

A constitutional appeal against the law, which was approved by the congress at the beginning of the month, was seen as the last resort of human rights organisations and families of the victims of some 9,000 "disappeared" political prisoners to try and prevent identified torturers and murderers from escaping justice.

In its ruling the supreme court also overturned sentences passed in December last year by the Buenos Aires federal court against a police commissioner, a police doctor and a police sergeant.

The three were condemned on charges of homicide and torture and received sentences of 23 years, six years and four years imprisonment respectively, but will now be released.



## Alfonsin visit raises hopes of US Falklands mediation

BY TIM COONE IN BUENOS AIRES

THE PRIVATE tour to the west coast of the US by President Raul Alfonsin of Argentina, which ends today, has raised further expectations of possible US mediation in the Falkland Islands dispute.

Mr Alfonsin has been accompanied by a high-powered delegation, including Mr Dante Caputo, the Foreign Minister, Mr Juan Sourouille, the Economy Minister, and Mr Theodore Gildred, the US ambassador in Buenos Aires. The envoy, who has been the prime mover of the tour, said at the weekend that the US wishes to see "important issues" regarding the islands being dealt with "this year."

Mr Caputo is to travel to Washington and New York this week, when he is due to meet Mr Robert Gelbard, the US

Deputy Assistant Secretary of State for South America. Mr Javier Perez de Cuellar, the UN Secretary-General, and the Argentine delegation at the UN.

Mr Alfonsin said just over a week ago, during his visit to Switzerland, that the Swiss and US Governments were looking for ways forward on the dispute. This raised speculation that possible contacts with a view to negotiations are in the pipeline.

However, the sovereignty issue remains the principal obstacle to a renewal of talks. Argentina insists that there must be a British commitment at some point to discuss the issue, even if not immediately. The UK Government insists that sovereignty is not for negotiation.

**Falkland sovereignty**

*From the Chairman of the Anglo-Argentine Society*

Sir. In your editorial of June 16 you refer to the desirability of a more flexible British attitude on Falklands sovereignty in order to fortify democratic government in Argentina. Amen to that!

It is many decades since a democratically elected President has handed over power to a democratically elected successor in Argentina. Now there is an opportunity for Britain to act in a truly statesmanlike manner (and to display the magnanimity that behoves a victor in battle) by proposing a Hong Kong-like transfer of sovereignty with two principal conditions:

1. Islanders must retain their language and British nationality (as with the Aland islanders who retain their Swedish language and customs but are part of Finland).
2. If there is any interruption to democracy during the next 50 years, the deal is off.

Such an arrangement would, I believe, deter the military from any thoughts of revolution. Then, after 50 years of on-going democracy it is unlikely the kelpers will have anything to fear from Argentine generals. In fact, as with the Aland islanders, they should enjoy the best of both worlds.

Yours sincerely,

BARNEY MILLER,  
19 Oxford Road, SW15.  
June 16.

# Strong bank commitment to \$1.9bn Argentine loan

BY ALEXANDER NICOLL, EUROMARKETS EDITOR

ARGENTINA'S international bank creditors have responded strongly to the country's request for a \$1.95bn (£1.2bn) new loan, regarded as a key test of banks' approach to debt problems in developing countries.

Commitments to the loan had reached 91 per cent of the total by a Wednesday night deadline, according to a joint statement issued yesterday by the Argentine Treasury and Citibank, the US bank which heads the country's advisory committee.

The Argentine loan, to be accompanied by a rescheduling of \$30bn of debt to banks, is the first attempt at the so-called "menu" of alternative financing options, endorsed at the Venice summit of the top seven industrial nations last week. This is designed to provide more flexible financing and overcomes the banks' growing reluctance to lend to troubled debtor countries.

It is also the first such loan to be sought since banks, led by Citibank last month, made

large loss provision for Third World loans—a move forecast by many to reduce further their willingness to make new loans.

The Argentine Treasury and Citibank said the 91 per cent figure was close to the so-called "critical mass" which would allow the International Monetary Fund to give the formal go-ahead for its own \$1.35bn standby credit agreement. That would also trigger \$2bn of loans from the World Bank.

Mr William Rhodes, the Citibank executive who chairs the advisory committee, said he was encouraged by the response and that telexed commitments were still arriving at Citibank's offices in New York.

The high level of commitments partly reflects a desire by large banks to back up their statements that, despite the loss provisions, they want to remain constructive in providing finance to problem debtors.

More immediately, however, they were attracted by an in-

novative incentive fee of  $\frac{1}{2}$  of a percentage point which they will earn for committing themselves by June 17. Banks responding between then and July 17 will earn a  $\frac{1}{4}$  fee.

Of Argentina's 360 bank creditors, about 120 account for 93 per cent of the loans. Commitments received so far reflect undertakings from this group and include promises from Japanese and UK banks.

Efforts will be made over the next few weeks to coax answers from the remainder, which have the option to take so-called "exit bonds," another innovative feature of the package. Banks receiving such bonds would no longer be subject to requests to take part in further loans and reschedulings.

Another indication of progress came with the formal signing of a \$10.6bn rescheduling agreement for Chile. The country's 400 creditor banks had agreed to take part before Wednesday's signing—the first time full participation in such a package has been assured beforehand.

N.C.

### **Falkland cutback**

THE size of the British Army garrison on the Falklands is to be reduced, the Ministry of Defence confirmed. A spokesman refused to discuss numbers of troops but it is believed the outgoing unit has 600 men and the incoming about 200.

N.C.

## Banks put up 91% of new Argentine loan

COMMERCIAL banks have stumped up 91 per cent of the \$1.95bn (£1.22bn) in new loans for Argentina — close to the “critical mass” of commitments required before the International Monetary Fund will release new money.

In a novel approach, creditor banks were offered a  $\frac{3}{8}$  per cent commitment fee, providing they met a 17 June deadline for providing funds. This drops to  $\frac{1}{8}$  until 17 August with no fee thereafter. The speed of the institutions' response has been faster than some bankers had expected.

The Argentine loan is the first put together under the so-called

menu approach, which incorporates flexible financing options into the funding package. This is seen as particularly important for a country such as Argentina where more than 100 creditor banks account for less than 1 per cent of the nation's debt. The reluctance of small banks to put up fresh money has caused problems in recent financing packages for debtor countries.

In the light of moves by some of larger banks to increase their provisions against loans to debtor countries, some bankers had felt institutions would be less willing to put up new money.



## Falklands garrison cut to 200

THE REDUCTION of the British Army presence in the Falklands by two-thirds, from a battalion to a reinforced company of 200 men, cuts the military presence there to its lowest since the 1982 war, Mark Urban writes.

Government policy is that the islands should have the smallest garrison necessary to deter an Argentine attack. Since the Mount Pleasant air base opened last year, reinforcement by air has become the key to the strategy for holding the islands.

The air base cost nearly £400m. But it is hoped the reduction of forces will cut the cost of garrisoning the Falklands from £257m this year to about £100m in three or four years' time.

In a time of crisis, RAF Tristar transport planes would fly reinforcements in. There are facilities for up to 10,000 troops to be housed on the islands. Anti-aircraft missiles and an airfield repair team are based at Mount Pleasant in case of an attack on the base.

All three services have been anxious to reduce the numbers of men sent to the islands on unaccompanied six-month tours. Boredom and separation from their families makes Falklands duty unpopular among many servicemen.

## Labour urges talks with Argentina over Falklands

By David Fairhall,  
Defence Correspondent

Next month's planned reduction in the size of the Falklands garrison should be accompanied by parallel negotiations with Argentina on the future of the islands, Labour's foreign affairs spokesman, Mr George Foulkes, said yesterday.

"These reductions show there is a clear urgency within the Ministry of Defence to save money in defending the islands," Mr Foulkes said.

"But much greater savings could be achieved, and the long-term interests of the islanders secured, if the Government would also grasp the political nettle and enter into discussions with Argentina on

the future of the Falklands."

The Defence Ministry has confirmed that when the 2nd Battalion The Royal Irish Rangers returns from the South Atlantic next month it will only be replaced by "a reinforced company" from the 1st Battalion The Devon and Dorset Regiment.

This means replacing about 500-600 infantrymen by perhaps 200, although the ministry is not prepared to give exact numbers.

This reduction in the permanent infantry strength has been made possible by construction of a new military and civilian airfield some distance from the capital, Port Stanley, big enough to accept large transport aircraft.

## Falkland garrison cut by 400 men

Britain's infantry strength in the Falklands is to be reduced substantially next month when a reinforced company of the Devonshire and Dorset regiment, about 200 men, takes over from a 600-strong Royal Irish Rangers Battalion.

The Ministry of Defence refused to discuss the garrison strength in detail but confirmed that cuts were being made now the Mount Pleasant airfield was fully operational and offered the facility for rapid reinforcement.

The reduction is the first major cutback in infantry since the war to repel an Argentine invasion force ended five years this month. Plans for the islands' defence are being scaled down. The cost of guarding the islands was £435 million in 1986-7 is to be cut to £124 million in 1989-90.

## Falklands garrison reduced

By John Keegan,  
Defence Correspondent

**T**HE ARMY garrison of the Falklands is to be reduced in size. The 2nd Battalion Royal Irish Rangers, will not be replaced by a full battalion after it returns home next month.

The 1st Battalion, Devon and Dorset Regiment, which is next for Falklands duty, will send a reinforced company. The number of infantry soldiers deployed will therefore reduce from 600 to some 200.

A Ministry of Defence spokesman commented that "the centralisation of the garrison at Mount Pleasant, and the ability the airport gives us rapidly to reinforce the islands if necessary, permit some force reduction. Force levels remain under constant review in the light of threat."

Mount Pleasant, an airfield of full international standard, 40 miles from Port Stanley, was recently completed at a cost of £500 million. The army and air force garrison has now been concentrated around it.

Air protection of the islands is provided by a force of Phantoms, believed to number four. The chief mission of the army garrison is now to protect the airfield against surprise attack.

Last night a Defence Ministry spokesman said it was impossible to quantify how much the country would save by cutting the garrison. Military costs are scheduled to fall by £35 million in the next two years from £159m to 124m.

# Tim Coone reports on the power struggle between the Argentine government and the labour movement

## Divide and rule puts Alfonsín at mercy of the unions

THE headquarters of the Argentine General Confederation of Workers (CGT) in Buenos Aires are a symbol of working class organisation. Their imposing concrete facade is plastered with posters and spray-painted slogans.

Inside, rooms are furnished sparsely with worn-out chairs and desks and patchy cigarette-burned carpets. A lock is smashed on one of the doors and a window is broken and patched with newspaper.

Argentine trade union politics are tough, frequently uncompromising and, when all else fails, violent. Militants of both right and left took up arms during the violence of the 1970s. The country's unions are widely recognised as the most organised and powerful in Latin America.

Although weakened by political in-fighting, they are a potent force that can wreak havoc with economic policy, as President Raul Alfonsín has discovered in three and half years of government.

Approximately half the economically active workforce of 8m is unionised and there are almost 1,500 unions, ranging from the powerful Metalworkers Union (UOM) with some 280,000 members, to tiny unions of a few hundred workers.

Practically all the unions are affiliated to the CGT. It is

headed by the militant Mr Saul Udalini, its general secretary, who has organised eight general strikes against the Government since it came to power in 1983. The CGT is affiliated to the Social-Democratic oriented International Federation of Free Trade unions.

Within Argentina, the CGT reflects the main divisions within the opposition Peronist Party, named after General Juan Peron. He introduced the country's first major labour reforms after the Second World War and wrested control from the dominant Communists and anarchists by brute force and judicial manipulation.

The unions became responsible for the provision of health care, recreation and vacation facilities for their members through tripartite support from the state, employer and employees. The funds, known as *Obras Sociales* (social works) have been the subject of great controversy. The military government of 1976 took control away from the unions and its return is one of the principal demands of the unions in the negotiations with the government over a social contract.

This will be a key feature of a new packet of union legislation being considered. The continuing disagreement between the Government, unions and employers over the proposals dashed President



Argentina

Alfonsín's hopes of presenting the social contract as a common fact to the International Labour Organisation in Geneva during his visit to Switzerland last week. Failure to pass the legislation in the form desired by the unions may trigger the eventual resignation of Mr Carlos Alderete, the new Labour Minister who was appointed from union ranks last April.

One of the key factors in the power of Argentina's unions has been their nationwide organisation and the strong centralised control exerted by their leadership. Workers' union dues are usually deducted at source by the employer and paid into the union's main bank account, which gives it enormous leverage over the regional branches. The Argentine unions are thus predominantly centralist and nationalist, powerful bureaucracies with which management are used to negotiating. According to Mr Daniel

### PRINCIPAL TRADE UNIONS AND MEMBERSHIP IN ARGENTINA

Metal workers (UOM)	287,000
Commerce workers (CEG)	279,000
Bank Employees (AEB)	185,000
Teachers (CTE)	180,000
Government employees (UPCN)	133,000
Construction workers (UOC)	111,000
Hospital workers	98,000
Food and restaurant workers (UTG)	80,000
Textile workers	74,000
Meat packers	70,000

Source: *El Periodista magazine*

James, a Yale University Professor, a specialist on the Peronists and Argentina's trade union movement: "The unions have historically preferred to negotiate for full employment rather than high wages. Full employment means more members, which brings greater income for the union and subsequently greater economic and political power to wield within Argentine society." This in turn has led to chronic overmanning and low productivity and slowed the pace of technological change. Managements have been willing to accede to such policies, as long as the government of the day have in turn been prepared to provide tariff protection to domestic industries facing stiff competition from

more efficient overseas producers.

The problem for the unions and the Peronist politicians who rely on the urban working class vote, is that the post-war rise to power of the Peronists was associated with the redistribution of huge surpluses accumulated during the war.

As one Peronist-turned-Communist pointed out though "The world has changed. Argentina is now a major debtor to the world instead of a creditor. Production is less than in the early 1970s and there is greater competition both between unions and between employers and employees for the share-out of what is essentially a smaller cake." For the Communists, this is the raw material of revolutionary politics and another chance to radicalise the trade unions.

For the industrialists, Government and conservative union bureaucracies, it is a reason to bury differences and unite against a possible resurgence of the left.

For this reason the CGT itself is divided. The unions with the big industrial muscle and large memberships such as the UOM have largely managed to ride out the government's austerity since mid-1985. Members of the smaller unions and the state-sector unions, however, have been hardest hit. Mr Udalini represents the latter and his militancy has been supported by

precisely those hardest hit sectors.

The Government's strategy has been to try and play off one sector against the other. Mr Alderete represents a group of more conservative and traditionally powerful unions (the *Obras Sociales* and the *patronage* this provides).

This group is the core of Argentina's union bureaucracy, representing the heavyweights of the private manufacturing sector. If the Government can tie it to a no-strike agreement by returning control of the *Obras Sociales* to the unions, it can hope to hold Mr Udalini at bay for the rest of the year and in the longer term even undermine his leadership of the CGT.

Without its own trade union base, the Radical Party in government has opted for a divide and rule strategy with its formidable union opponents. So far it has had some success. The question is whether this will eventually be at the expense of other cherished radical policies such as industrial, bank and union reform, where the unions have a strong interest in retaining the status quo.

The Government is walking a dangerous tightrope, and a failure of the social contract could turn the full weight of union power against it.



## UK banks share loan to Argentina

THE BIG British banks have agreed to contribute their share to a new \$1.95bn (£1.22bn) loan for Argentina, which forms part of an innovative financing package involving the so-called menu of options for commercial banks.

Creditor banks were offered the incentive of a  $\frac{3}{8}$  per cent commitment fee providing they agreed to contribute by yesterday's deadline. There had been concern that UK banks might only commit their \$244m slice on condition US banks contributed their full share, leading to a repeat of the row over the recent \$7bn loan for Mexico.

However, the British banks wanted to keep a low profile on a potentially politically-sensitive loan, and there was also uncertainty whether such conditions would rule them out of a commitment fee. As a result their main condition is only that the full \$1.95bn should be reached.

The Argentine loan is the first since banks, led by Citicorp, started making big additional provisions against loans to debtor countries. Some bankers believe this will make it more difficult to raise such loans in the future. But all the banks on the Argentine advisory group have put up their share and one banker said: "There is no sign at all that major banks, especially those who have followed the Citicorp route, are declining to commit."

R. A.

Harold Briley The future for the Falklands

## A big economic boost in Fortress Falklands

Five years after Argentina's occupation of the Falkland Islands was ended, the colony appears to be on the verge of economic and social development unparalleled in its history.

There's been a remarkable transformation since the immediate aftermath of the 1982 conflict when Lord Shackleton's second economic study, requested by the Government, warned of the danger of serious contraction and possible collapse of the internal economy unless drastic action were taken.

There has been much argument about the cost of sustaining the Falklands. The military bill has now topped £3,000 million: for the Task Force campaign to recover the islands, setting up the garrison with all its equipment, and building the major military airport complex at Mount Pleasant, which, with its associated port at Mare Harbour, has cost more than £400 million pounds. This military expenditure is sometimes used by critics of the Fortress Falklands policy to suggest the British taxpayer has spent £1.5 million for each and every Falkland Islander, and that it would save money to give them all compensation to settle elsewhere. This proposition is angrily rejected by the islanders: 'We've been here for generations,' they say. 'It's our land and our home. We're British.' They appeal to British taxpayers to view the costs in perspective. In contrast to the huge military expenditure, a comparatively modest sum of less than £60 million has been spent for the benefit of the 1,900 civilian residents, for social and economic development. That includes £15 million for repair, reconstruction and replacement of civil aircraft and other property destroyed as a direct result of the conflict, as well as £10 million for building a new Stanley hospital (a replacement for the one destroyed by fire since the conflict). Thirty-one million pounds has been allocated for development.

Talks have begun between Falkland Islands' representatives and the Foreign and Commonwealth Office about future needs as the £31 million runs out. Economic development so far has brought new hope to islands which had previously suffered 150 years 'benign neglect' from successive British governments, as the Islands' recently retired Deputy Governor and Chief Executive in charge of Development, Mr David Taylor, described it. 'We must tell the world what we are doing to increase the prosperity and improve the quality of life on these islands,' he says.

For much of its history, the colony sent back to Britain more in profits from its basic woollen industry than it received in aid. Now, with the post-conflict injection of money, Governor Mr Gordon Jewkes says: 'Islanders and immigrants alike are showing impressive confidence in the future.' This is happening despite the anxiety and uncertainty over Argentina's undiminished claim to sovereignty, and the policies of British Opposition political parties.

The islanders are investing their own life-savings in development projects. More than 30 couples have taken advantage of government loans to buy their own farms, split off from the

much larger farms. Land division with wider ownership was one of the major reforms advocated by Lord Shackleton. The result of people having their own farms has been greater efficiency and higher wool production. At Fox Bay village, a newly created woollen mill, run by a

former English couple, Richard and Grizelda Cockwell, is producing wool of exceptional quality. But wool as the main and only industry is now rivalled by fishing.

Some inshore projects are still only in their early stages. A pioneer fishing project run by a Humberside firm, Fortoser, has caught large quantities of delicious South Atlantic crab with a boat from Britain. The crab has already been on sale in Stanley's West Store supermarket, but the development grant for this research project has now run out, and the project is about to be taken over on a commercial basis by an Anglo-Swedish consortium called Witteboyd, which plans to extend it to include squid processing. In another Falklands-based initiative, several hundred tiny salmon were brought from Scotland—from Stirling University—to start salmon farming at Fox Bay. They seem to have adapted happily to their new environment after their 18,000-mile flight from Brize Norton in Oxfordshire and are now thriving. The young Falkland Islander in charge of the project, Simon Hardcastle, is also establishing oyster beds, and it is hoped these can become viable commercial activities.

But the important new factor promising to transform the islands' internal economy is the 150-mile fishing zone declared by Britain, in the absence—so far—of the international agreement the British government is seeking, through the UN Food and Agriculture Organisation, with Argentina and other Latin-American and fishing nations to regulate the valuable South Atlantic fishing-grounds and conserve stocks of fish, especially squid. These stocks have been seriously threatened by over-fishing in the previous free-for-all. As many as 600 foreign vessels last season from East and West

*Fishing now rivals wool as the main industry, since Britain declared a 150-mile fishing zone*

Europe—including the Soviet Union, Bulgaria, Poland, East Germany and Spain—and the Far East, from Japan, Taiwan and Korea, fished these waters.

Cont.../



Land division has led to greater efficiency and higher wool production



Fishing in the Falklands: ships like this now pay £50,000 to £60,000 a time in licence fees

The zone came into force only in February this year, and despite Argentine protests has worked well so far. The number of fishing vessels operating in these waters has been cut drastically to just over 200, to insure fish stocks are no longer seriously depleted. The zone, advocated by Lord Shackleton and campaigned for vigorously for so long by the Falkland Islanders, is already bringing in comparatively large sums in licence fees. Each ship pays as much as £50,000 or £60,000 a time, according to the vessel's size and catch. Although captains

of some of the Polish, Japanese and Taiwanese vessels complain that the licences are too high, when it comes to it, they quickly pay up and are making good catches.

The Falkland Islands government has already received £10 million from licences. There will be at least another million from harbour dues and catch trans-shipment fees in the sheltered waters of Berkeley Sound, outside Stanley Harbour. Four million pounds is set aside for policing the zone, with two civilian patrol vessels and a civilian surveillance plane. If additional licences are granted next season and the patrol reduced to one vessel, then the profit could be much higher. Several million more pounds are expected from joint fishing ventures already operating between British companies and Japanese and Taiwanese boats.

This is only the beginning of what could be a burgeoning industry. The Poles and other foreign fishermen complain they have so far been unable to obtain fresh food supplies from the Falklands, where the big hydroponic market-garden employing new technology has fallen so far behind schedule. The foreign boats also have to go all the way to Punta Arenas in southern Chile or Montevideo in Uruguay for repairs and other supplies. In time, the Falklands hope to provide food, fuel and other fleet-supply facilities reminiscent of their role last century as a port of call for many ships rounding Cape Horn, in the pre-Panama Canal era. Such facilities could give the islands a key role in future Antarctic research.

Tourism, too, has begun in a modest way. In this its first season, a new tourist lodge on Sea Lion Island and converted farmhouses on Pebble Island and at Port Howard have played host to several groups of tourists from Britain, paying more than £2,000 for holidays, concentrating on the magnificent penguin and other wildlife of the Falklands, as well as battlefield tours. Development of oil potential, either offshore or perhaps in the islands themselves, however, seems far off. Offshore exploitation could hardly be viable without Argentine co-operation, as Lord Shackleton pointed out.

David Taylor told me: 'I don't think the islands will develop in some enormously spectacular way. What we can do is improve the quality of people's life quite a lot, improve their prosperity, and make use of the natural and human resources we have in the islands.'

Military spending is coming down dramatically with the completion of Mount Pleasant airport and transfer of most of the garrison there. The airport can take big modern jetliners, flying the 4,000 miles non-stop from Ascension Island, replacing the smaller Hercules transports which had to refuel twice in the air. So Mount Pleasant allows swifter reinforcement from Britain, leaving a smaller garrison stationed there, at much less cost. It is believed the garrison has been halved to about 2,000, though of course the Ministry of Defence refuses to disclose figures for security reasons. In three years, the annual defence costs for the Falklands have fallen by more than 50 per cent to less than £300 million for this financial year, and should drop below £200 million next year. On his recent visit, the Defence Secretary, Mr George Younger, told me he regarded the new airport as good value for money, combining a vital reinforcement facility for the military with necessary potential for civil use and economic development, such as tourism and crew changes for civilian ships. □

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# Argentina's wine lake overflows

BY TIM COONE IN BUENOS AIRES

IF ASKED to name the half-dozen principal wine-producing countries in the world, even a moderately knowledgeable wine connoisseur would probably leave one country off the list—Argentina.

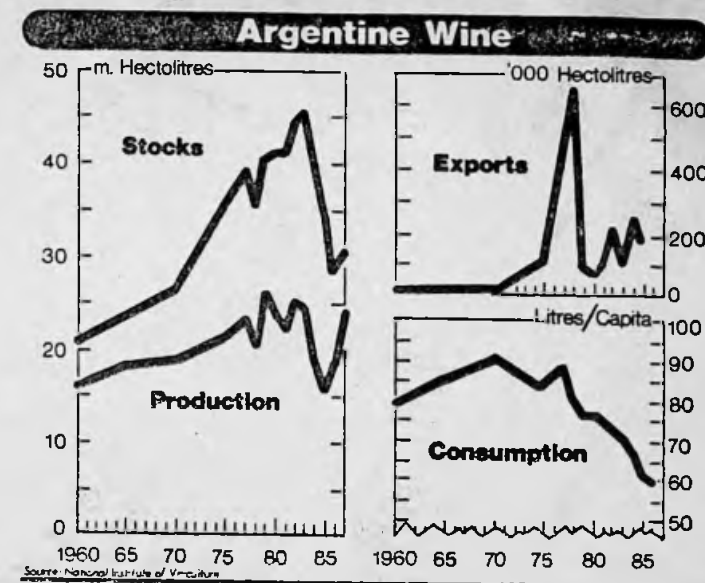
It is one of those surprising statistical facts, to be pulled out when after-dinner conversation begins to lag over the wine glasses, that some 45,000 Argentinian vineyards each year produce some 2m to 3m tonnes of grapes to be pulped and fermented into some 20m to 25m hectolitres of wine, or between 7 and 8 per cent of the world total. It is one of Argentina's main industries.

The grape-picking season has just come to a close and the country is once again awash with wine. The problem for Government and growers alike is what to do with it all, for Argentina's 30m population, although big consumers, are not the Bacchanalian revellers they once were.

Neither is Argentina a significant exporter of wine, hence its relative obscurity as a wine-producing nation and the absence of Argentine wines from European supermarket shelves and dinner tables.

Mr Juan Zapata, an economist and one of Argentina's leading specialists on the wine industry, says that the Argentine palate is changing. The younger generations are consuming less wine, with less alcohol content, while beer and soft drinks, and mineral waters are increasing in popularity. "Surplus stocks this year are some 12m hectolitres, or about 60 per cent of one year's consumption," he said.

The first vines were planted in Argentina over 400 years ago, practically with the beginning of the Spanish colonisation, establishing a wine industry which was to become the economic base of the provinces Mendoza and San



Juan, and which continues to this day.

The present overproduction problems, however, are due to a major expansion in vine planting in the late 1960s and 70s. Plantations grew from 250,000 hectares to 350,000 hectares in the space of 15 years, stimulated by central and local government tax incentives and a generalised economic policy of import substitution.

But just as production capacity reached its peak in 1977 local demand—on which the producers depend for 98 per cent of their sales—began a steady decline which shows no sign of being reversed. In the past 10 years per capita consumption of wine has dropped by a third from its peak of 92 litres per annum to only 59 litres last year, the lowest level in over 30 years.

The decline in demand has resulted in a steady growth in stocks since the late 1970s, and the need for increased storage capacity. Storage now exists for almost three years' production.

Argentine wines are mostly

common table wines produced from inferior grape species. The industry grew as a protected market without any special reference to quality considerations, so that very dry and somewhat acid wines have come to dominate the local taste.

This has created a quality problem, inhibiting the development of an export market already well staked out by the traditional exporters in Europe. Those classified as "fine" wines make up less than 15 per cent of total production, and of these, only some 200,000 to 300,000 hectolitres find their way into the export market, mostly in the US or Brazil.

Mr Zapata claims that Argentine wines can compete internationally, citing export figures of almost 700,000 hectolitres in 1978. "The export market is an investment though, which can be quickly lost through fluctuating exchange rates, which have affected all Argentinian exports, and high raw material costs."

He blames the Government for the lack of a clear export

policy and over-regulation of the sector, which prevents the development of new products such as "wine-coolers"—mixes of wine with fruit juices which have caught on in the US market.

Some changes are underway though. Growers are being encouraged to move out of monoculture vine production, which predominates in many areas, and into stone fruit and vegetable production, aimed at the South American export market and out-of-season sales to Europe. Secondly, a scheme whereby Government stocks, and those retained by producers under a government quota system which restrains sales onto the market, will be used to finance an uprooting programme to either aid the grower out of vine production altogether or to replant, or graft with better varieties, which can produce wines of export quality.

Growers who participate in the plan will receive wine from stocks over two to three years equivalent to what they would have produced, and which they can sell on the market. In the past year the Government has also begun introducing an export bias into its economic policy, which although aimed primarily at industrial products may also soon begin benefiting the wine growers.

This is considered a better solution to the problem than compulsory distillation or simply pouring the surplus wine away, methods used at various times in other parts of the world. One novel suggestion, made in all seriousness, has been for farmers to use it as a mildly effective pesticide. Despite the Argentine propensity for dry, acid wines it is a proposal which horrifies local connoisseurs — "an unjust reflection on the many good wines that are produced here," said one.

## Shortages force Argentina to import \$140m of oil

BY TIM COONE IN BUENOS AIRES

FINANCIAL AND administrative problems within Argentina's state oil company, Yacimientos Petroliferos Fiscales, have provoked fuel shortages in recent weeks and a decision by the government to import 1m cubic metres of petroleum products at an estimated cost of \$140m.

The products are to be bought on the open market through Interpetrol, the YPF subsidiary over the next 90 days. The director of the Interpetrol says countertrade arrangements are under discussion "with various countries" with a view to export products such as corned beef and tractors, to reduce the foreign exchange drain on the central bank.

Argentina recently became self-sufficient in oil production,

but YPF, which is Argentina's biggest company with a turnover of \$4bn per year, is presently the focus of a sharp debate both within and outside the government, over efforts to privatise oil exploration.

A reduction of government subsidies to state enterprises, as part of a financial stabilisation plan agreed with the IMF, resulted last year in a sharp drop of almost 40 per cent in the exploration effort by YPF and a 20 per cent drop in production.

Private sector production has meanwhile failed to fill the gap due to continuing differences over the wording of future exploration risk contracts.

The problem has been further exacerbated by a cold snap

## Argentine court rejects immunity

**BUENOS AIRES (Reuter) —** A federal appeals court yesterday declared unconstitutional a new law barring prosecution of most Argentine military officers accused of human rights violations when the country was under military rule. The ruling, in the southern city of Bahia Blanca, follows a similar decision by a lower court judge last week.

The law gives immunity to nearly all junior military officers accused of committing atrocities during the former military government on grounds that they were obeying orders from superiors when they committed crimes.

President Raúl Alfonsín proposed the law in hopes of soothing military anger against civil trials of officers, after a rebellion in April sparked by an officer's refusal to appear in court on charges of human rights violations. Mr Alfonsín signed the bill into law last week after Congress passed it by a wide margin.

Yesterday's ruling was the first by an appeals court against the law and could signal a decision soon from the Supreme Court. The ruling came in response to a suit brought by lawyers for victims of rights abuses, who have filed scores of murder, torture and other charges against officers who served in the Fifth Army Corps based in Bahia Blanca during military rule.

retards toward the south again

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The Times  
16 June 1987

# Unlucky albatross

Dennis Courtis

An albatross which wandered into the wrong hemisphere is close to coming of age as a bird of Britain. Each year for 20 years it has appeared on the cliffs of our wild northern islands, dwarfing resident guillemots and razorbills and even the great gannets. The bird, lost in these latitudes, seems certain to live out its days thousands of miles from the rest of its kind.

The black-browed albatross (*Diomedea melanophrys*) from the South Atlantic was first seen on the Bass Rock in the Firth of Forth in 1967, moving on to Unst in Shetland, where it has acquired the status of a local tourist attraction and a nickname, Albert (although the bird's sex is unknown).

Peter Ellis, conservation officer for the Royal Society for the Protection of Birds in Shetland, said: "The albatross lives among a colony of gannets on 400ft cliffs at Herma Ness at the north end of the island. The hoteliers are delighted. Birdwatchers come in parties from the mainland specially to see it. The bird is impressive with a wingspan of

## The sad story of Albert, a Shetlands tourist attraction who will never see the south again

eight feet, but is very inactive by day, sleeping a lot on a platform it has made for itself by plastering mud around. In the southern ocean the species feeds on squid: here it must catch fish of some kind. It leaves these parts in August and reappears in February.

"Black-browed albatrosses live in great numbers in the Falkland Islands: they need winds to give them 'lift' because of their huge wings. If one somehow crosses the equator and the windless doldrums, it will have an awful job getting back into the southern hemisphere. Unfortunately, no other albatross has ever come to keep it company, though there have been instances of other single birds elsewhere in the past."

One was recorded over Chichester Harbour, Sussex, in 1974, another on Fair Isle in 1949, and a venerable individual lived in Myggenaes Holm in the Faroes for 34 years from

1860 until it was shot in 1894. It was known to fisherman as "the king of the gannets".

Nine species of albatross, including the black-browed, roam over temperate and Antarctic waters and three are found in the central Pacific. Their reliance on winds to support epic ocean migrations is such that in calm weather they will settle on water and wait until one starts to blow. The still air of the tropical Atlantic is an effective barrier, and it is possible that those which do penetrate the northern regions have made the crossing as passengers on the superstructure of ships.

Relations between albatrosses and sailors have not always been happy. Coleridge put it vividly in the *Rime of the Ancient Mariner*, who shot the bird of good omen with his crossbow and infuriated his doomed, becalmed shipmates:

*And I had done a hellish thing,  
And it would work 'em woe:  
For all averred, I had killed the bird  
That made the breeze to blow.  
Ah wretch! said they, the bird to slay,  
That made the breeze to blow!*



On a wing and a prayer: Albert the black-browed albatross

Albert, meanwhile, though safe among human admirers, must wait for a very fair wind to blow in a consort.

**John A. Hill**

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## THE FALKLANDS AGENDA

President Alfonsín's reminder at the weekend of the need for fresh talks about the Falkland Islands lacks the ideal timing which it needed. Overshadowed by a mutiny which threatened his frail democracy in Argentina, he must have delivered it more in hope than expectation.

The Falklands remain an issue which Mrs Thatcher may have to turn to during her third term of office as Prime Minister, with a view to securing a better long-term solution. But events in Buenos Aires must have lowered it several places in this Government's order of foreign priorities.

This is not to oppose or discourage the reopening of negotiations between Britain and Argentina. Steps towards normalising relations are long overdue — though Buenos Aires rather than London has been guilty of dragging its feet.

This Government's attitude has consistently been that talks should begin on fishing rights, trade and war graves with a view to the ultimate restoration of full diplomatic relations. On the central question of Falklands sovereignty, Britain has refused to be budged — and this, to nobody's great surprise, has been the only thing Argentina will discuss. It was this divergence which led to the immediate breakdown of the one and only attempt at negotiating, at Berne in 1984.

Earlier this year, there were signs that Señor Alfonsín was beginning to adopt a more pragmatic approach. A Buenos Aires initiative on the dispute over South Atlantic fishing was fed to Whitehall through Washington. This prompted a reply from Whitehall and a further proposal from Buenos Aires — which is still being considered by the Foreign Office.

Meanwhile, however, Señor Alfonsín's own government was shaken by an army mutiny at three barracks in April. Optimists saw in the President's confrontation with the rebels the triumph of mind over matter — and victory for his regime in Buenos Aires. According to that interpretation, the President survived his baptism of fire, to emerge much stronger than before.

Pessimists point out that he did so only after making important concessions to the rebels, replacing senior officers they disapproved of, arresting only two leaders of the mutiny and dropping charges against about 40 others who were accused of the violent abuse of human

rights during Argentina's "dirty war." According to this interpretation, Señor Alfonsín was encountering only the thin end of the wedge. Next time the army's demands could be wider-ranging and its challenge to central government more overt.

One argument in support of a more flexible British attitude on Falklands sovereignty has been the need to fortify democratic government in Argentina. By allowing Alfonsín to demonstrate to his military that he could win more by negotiation than they could by force, Britain would be helping its own interests in South America — and lifting the threat of warfare from the Falklands.

From Señor Alfonsín's point of view, he needs that kind of help never more than now. On the other hand, the recent events in Buenos Aires showed most vividly the capacity of the army for fresh violence. Señor Alfonsín must realise that in the uncertain atmosphere which pervades Buenos Aires today, the extent to which Britain could make concessions on the Falklands must be limited.

This is not to argue the case for continuing diplomatic stalemate. The moves which Argentina has made on fishing rights seem to reflect a wish to pick off certain issues, one by one. The United States, which is acting as a postman between the two, is certainly anxious to see an end to the Anglo-Argentine quarrel, for the sake of its own Latin-American interests. So too are the European powers.

Britain, for the reasons outlined above, can hardly enter into any negotiations on Falklands sovereignty in the shadow of the Easter mutiny in Buenos Aires. But it is not beyond the ability of diplomats of both countries to devise an open agenda which would allow accelerated progress on the other divisive points.

This may not be the best time even for that advance. Señor Alfonsín might not think it prudent to remind his electorate just now that he is contemplating talks in which sovereignty will play no major part.

There is the argument that the islands will not prosper without the restoration of their Latin American links and will remain an expensive, diplomatic embarrassment until some solution is found. But if the pressure on Mrs Thatcher to do so has slightly eased, it is the Argentine army she has to thank.



## Pressure growing for Falkland talks

Buenos Aires (Reuter) — President Alfonsín of Argentina yesterday said the US and Switzerland were pushing actively for talks between Buenos Aires and London.

He said Washington was "permanently bothered" by the Falkland Islands dispute and was "working very strongly" to get talks going, although it had made no concrete proposals. "The United States... has, in the first place, the problem of its responsibility to defend its continental alliance (with Latin America), and another problem which is defending its Atlantic Alliance," Señor Alfonsín said after a four-day visit to Switzerland. The Swiss were also trying to foster talks, he added, and were "a bit more optimistic than before".

### **Argentine law unconstitutional**

An Argentine federal judge, in the first legal test of the newly-enacted "due obedience" law, has ruled unconstitutional a measure that grants immunity to 200 military officers accused of human rights abuses during the 1970s, **AP-DJ** reports from Buenos Aires.

As a result, the supreme court must determine the validity of the law.

### **Argentine navy chief backs Belgrano attack**

AN Argentinian admiral has backed Britain's decision to attack the Belgrano at the beginning of the Falklands campaign.

Rear Adml Allara says: "As far as I am concerned, from a strictly professional point of view, I cannot criticise that action. She was a ship carrying out a war mission connected with the conflict."

The admiral makes his comments and confirms the war mission of the Belgrano in the final programme of the BBC 3 documentary series about Diplomacy over the Falklands, presented by Michael Charlton. It is to be broadcast on Sunday.

### Obedience upset

Buenos Aires (Reuter) — An Argentine federal judge ruled unconstitutional a new "due obedience" law which shields most military officers from prosecution for human rights violations committed under military rule.

The ruling relates only to the case of five officers currently being tried before the judge, but it was expected to embarrass the government.

# MARR LOOKS TO FUTURE IN FALKLANDS

THE Hull company J. Marr Ltd now has one of the biggest commercial operations in the Falkland Islands with nearly 100 people, including islanders, involved.

This is revealed in the company's first newsletter, launched to keep Marr's employees, especially the crews at sea, and clients and suppliers around the world abreast of group activities.

## **Jiggers**

Marr says its team in the Falklands includes those who have gone out from the UK to help run the squid fishery catching, transshipping and marketing operations and act as observers on the chartered jiggers. The firm has also employed Falkland Islanders to work on the fishery patrol vessels and is recruiting UK-based islanders to return to jobs on the islands.

Management of the three fishery patrol vessels is a

Falkland Islands Government contract run separately from the commercial activities of Marr.

## **Japan**

This year Marr has overseen the joint fishing ventures with 27 jiggers from Japan and 12 from Taiwan. The firm has also been involved in transshipping operations, set up by Graham Botterill.

The Anglo-Japanese joint venture is now described by Jim Hind of Marr as "a model of successful co-operation." The venture with

the Taiwanese is expected to be as successful, says Marr.

Many of the firm's staff have visited the Falklands: Mr. Botterill went out at the beginning of the year to oversee the start up of the fishery patrol and the fishing operations and representatives from Marr Seafoods have been to check what the company calls "one of its most important international marketing operations."

Marr claims to have built up an "in depth" knowledge of squid jigging techniques from its visits and says the experience gained from these "could provide the key to the future."

# Argentina's democracy struggles to tame the military

THERE ARE essentially two views on the future course of Argentina's democracy. One is that the armed forces have been assuaged by the "due obedience" law passed by the Congress last week, and that the violence of the past will remain just that—a thing of the past. The country can move on to becoming a modern stable democracy, and the military will remain in their barracks and cease to intervene in the civil affairs of state.

The other view is that the military have simply won just the first battle of a sustained offensive. This will eventually restore them to a position of authority in Argentine society which will make them once again the ultimate arbiters of political change and economic policy, regardless of the wishes of any elected government.

It is admitted by ruling Radical Party leaders that there exist significant extreme right-wing elements within the armed forces. Those same elements have considerable power and influence within the officer corps. Some, although by no means all, were at the heart of the Easter military rebellion which squeezed the "due obedience" law concessions out of the government and sent half of the army high command into retirement.

Only two of the rebel leaders are under arrest, and they are likely to be tried by a military

court rather than a civilian one, with every likelihood that they will be given light sentences and later returned to active duty. This is despite the fact that their actions amounted to mutiny under the terms of military law.

On the other hand, under new regulations, the approximately 7,000 members of the officer corps are now obliged to swear their loyalty to the constitution "to the death" if necessary. A stream of declarations have been made in recent weeks by senior ranks professing their loyalty to the system of democratic government. But in the words of Rear Admiral Ramon Arosa, the head of the navy, "the navy values the eloquence of facts rather than words, however sincere they may be."

More disturbingly, the armed forces show no willingness to accept that their strategy to eliminate a generation of political militants on the centre-left under the guise of fighting guerrillas, was in any way immoral or wrong.

On the contrary, the speeches of military chiefs in recent weeks (including that of Rear Admiral Arosa) have been tough and uncompromising, seeking to legitimise and glorify the strategy rather than accept it as a shameful blot on the institution's history. Officially, 9,000 persons are listed as missing following



Ex-General Ramon Camps (right) can still challenge President Alfonsín from his prison cell



abduction by security forces between 1976 and 1983. Unofficially the figure is put as high as 30,000.

Critics of the Government's policy warn that the military's demands, although limited now to military affairs, may extend next to defence policy, or later to the appointment of a cabinet minister or an issue of economic policy.

President Alfonsín's repeated reassurances to trust in his judgment and that the concessions to the military now are necessary "for the health of the nation" as he said this

week, are counterpointed by judiciously leaked articles to the military's allies in the press. These give every indication that the problem is far from resolved.

Later this month, or in early July, the trials will be resumed. The "due obedience" law has absolved all junior and middle ranking officers on human rights charges, and the original 370 facing trial has now been reduced to some 50 senior officers. The army has let it be known, however, that the junior officers might refuse to testify as witnesses against their

superiors. By being absolved of responsibility for their crimes, they cannot refuse to testify under a "fifth amendment" argument, arguing that to do so would incriminate themselves. They may therefore simply refuse to appear in court.

The Government's strategy in the face of military pressure and intransigence, is to try to conserve the fundamental elements of democracy, in the hope that time will heal the wounds and allow the system to consolidate. Significantly, following the Easter crisis, President Alfonsín once again started to talk pointedly of a "transition to democracy," rather than one which was firmly on its feet and sure of its destination.

The self-justification and esprit-de-corps within the Army is based on a definition of the "Dirty War" almost in terms of a Holy War, in which Conservative, Christian Western values were pitted in a struggle to the death against atheist, alien values of the East. The logical conclusion of this argument is that the torture and elimination of political prisoners is justified when the end is to prevent any change, whether by democratic or revolutionary means, of the fundamental conservative and Christian ethos of society.

One of the leading exponents of this ideology is ex-General Ramon Camps, now serving a life sentence, but who still has articles regularly appearing in the Press. Last month he argued that "an occupation army of Gramscian Marxists" controls the present Argentine Government. (Gramsci was the Italian intellectual father of Euro-Communism).

He is nonetheless insistent that "due obedience" is the very last concession that will be made. He is insistent that the military called to testify in the courts will appear, and he is equally insistent that the Military problem is now resolved. An amnesty, absolving all the remaining officers facing charges, will not be given. But if it becomes necessary, he hinted in private recently, "it will not be the Government that decides, but society itself." He thus rules out the possibility of presidential pardon.

Given the disagreement and disarray in Radical Party ranks over the due obedience bill, the Congress is unlikely to be called upon to vote for an amnesty. The final recourse is a referendum on the issue. Some observers believe that this may be the next step the Government is now considering.

## The brittle Falklands outcome of the Prime Minister's 'flexible' nuclear response

Sir, — The Prime Minister has made it clear that Britain holds firm to a nuclear strategy of flexible response: the preparedness to use nuclear weapons first if facing a conventional defeat.

After the attack on HMS Sheffield on May 4, 1982, Britain diverted a Resolution-class Polaris missile submarine from the North-east Atlantic to about 300 miles south-west of Ascension Island. This was some 3,000 miles from the normal patrol area and out of missile range of the Soviet Union.

The R-class submarine was escorted by two nuclear-powered attack submarines during its deployment in mid-Atlantic which continued throughout most of the Falklands war. The submarine carried 16 Polaris A3 missiles, each equipped with three 200-kiloton thermonuclear warheads.

Targeting tapes for the fire-control computers were assembled for the coordinates for Cordoba, the major military centre in Argentina, which was within missile range of the submarine's position.

The Prime Minister informed us at the start of the Falklands war that defeat was unthinkable. The Exocet attack on Sheffield showed that the capital ships, and therefore the whole task

force, were vulnerable to conventional defeat.

Would the Government's stated policy of flexible response have been employed? If not, why was a missile submarine deployed in this manner? — Yours faithfully,

Paul Rogers.  
2a Hallas Road,  
Kirkburton, Huddersfield.

# Sappers on long ride to nowhere

As the British Army's sappers, the 1st Airborne Engineer Regiment, are sent to the Falkland Islands, the government's commitment to a long and costly military operation is made plain. The sappers are the only British troops to have been sent to the islands since the 1982 war.

## Views on Falklands

Buenos Aires (Reuter) — Britons gave their views yesterday on Argentine state television on the Falkland Islands dispute, and most of those portrayed criticized Mrs Thatcher's stance on the disputed islands.

"I don't see the point in Britain keeping the Falklands. I think it's stupid," one middle-aged woman on a London street said during the "vox pops".

One young man said: "There should have been at least an attempt at negotiations" during the bloody 10-week war in 1982. Others said the islands rightfully belonged to Britain and that Argentina had blown the dispute out of proportion.

## Thanks EFi and Nsafi

On the way home from the University of Oxford, I was told that the Falkland Islands were the only place where the British Empire still exists.

The British Army's 1st Airborne Engineer Regiment, the only British troops to have been sent to the islands since the 1982 war, are now on their way to the islands.

The new regiment is the only one to have been sent to the islands since the 1982 war.

As the British Army's 1st Airborne Engineer Regiment, the only British troops to have been sent to the islands since the 1982 war, are now on their way to the islands.

"I am absolutely certain that without the EFi, much would have been lost."

That's how, Nsafi, with EFi.

# Falklands fund calls may rise

LONDON (Reuters) — The £1 million Falklands Fund, set up to help the islands' economy, may see its calls for donations rise as the islands' economy continues to struggle.

The fund, set up in 1982, has raised £1 million since then, but the islands' economy is still struggling.

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## Sappers on long ride to nowhere

AN 8,000 mile charity cycle ride from the Falkland Islands to the UK was the brainchild of Cpl Titch Mahon's fertile imagination. He persuaded colleagues in 3 Troop, 53 Field Squadron (Construction) to help him out – and promptly produced four exercise bicycles!

The distance between their base at Mount Pleasant and home was calculated and off they went. Nearly 38 hours later they "arrived" in

Blighty having collected £500 on the way. They hope to double that before presenting the money to the Cambridge Children's Hospice at Milton, near Waterbeach Barracks.

□ Men of the rear party of 1 Cheshire at Caterham Barracks, Surrey, scored more than a million points during a 24 hour darts marathon and raised £700 for the Zeebrugge disaster fund.

## Thanks to EFI and Naafi

Civilians are taking over the running of Naafi's facilities on the Falkland islands from uniformed staff of the Expeditionary Forces Institutes (EFI).

The change follows the establishment of the new tri-Service base at Mount Pleasant airfield, 30 miles from the capital Port Stanley.

The new civilian team will be 13 staff recruited in the UK and a dozen from the Atlantic island of St Helena.

Lt Gen Sir Charles Huxtable, QMG and president of the Naafi Council, has written to Naafi in appreciation of the "magnificent backing" given by the EFI staff in the peculiar environment of the Falklands operation.

"I am absolutely certain that without the EFI, morale would have suffered . . ."

Well done, Naafi and EFI!

## Falklands fund calls may rise

LONG term calls on the £3 million remaining in the South Atlantic Fund may slowly rise as the disabilities of wounded Servicemen increase and new charitable needs of ageing beneficiaries become clear.

If these can be attributed in origin to the 1982 conflict then grants will be paid. In some cases a wound or resultant disability may worsen or not respond to treatment as expected.

New cases, particularly associated with deafness and psychological damage, still arise according to the annual report of the South Atlantic Fund. By the end of last year the fund had distributed nearly £14 million to Servicemen and their families suffering as a result of the Falklands war.

The life of the fund has been extended until July 1988 and this decision will be reconsidered at the end of 1987. The fund was to have been wound up in July this year and the balance transferred to Service benevolent funds.

## Argentine power cut threat

BY TIM COONE IN BUENOS AIRES

THE ARGENTINE Nuclear routine maintenance due to Energy Commission has warned staff working to rule. of electricity supply cuts if a The two plants have been shutdown of the country's two providing recently as much as nuclear power plants continues. 20 per cent of national electricity output — about double their planned contribution. A dispute with maintenance workers at the plants, Atucha I and Embalse, led to the shutdown. Water levels are low at hydro-electric dams and the onset of the southern winter is raising domestic demand for energy. The immediate motive was safety, as the commission became unable to carry out

THE DAILY TELEGRAPH

**By Michael Kallenbach  
in New York**

If the sale goes through, for \$8 million to \$10 million (£4.8 million to £6 million) it would be used as a 700-bed minimum-security prison, according to Mr Thomas Coughling, New York state commissioner of Correctional Services.

He said his department considered the price a "bargain" and that it would help to alleviate the shortage of beds for prisoners.

The state expects that by early next year it will be short of 4,700 beds.

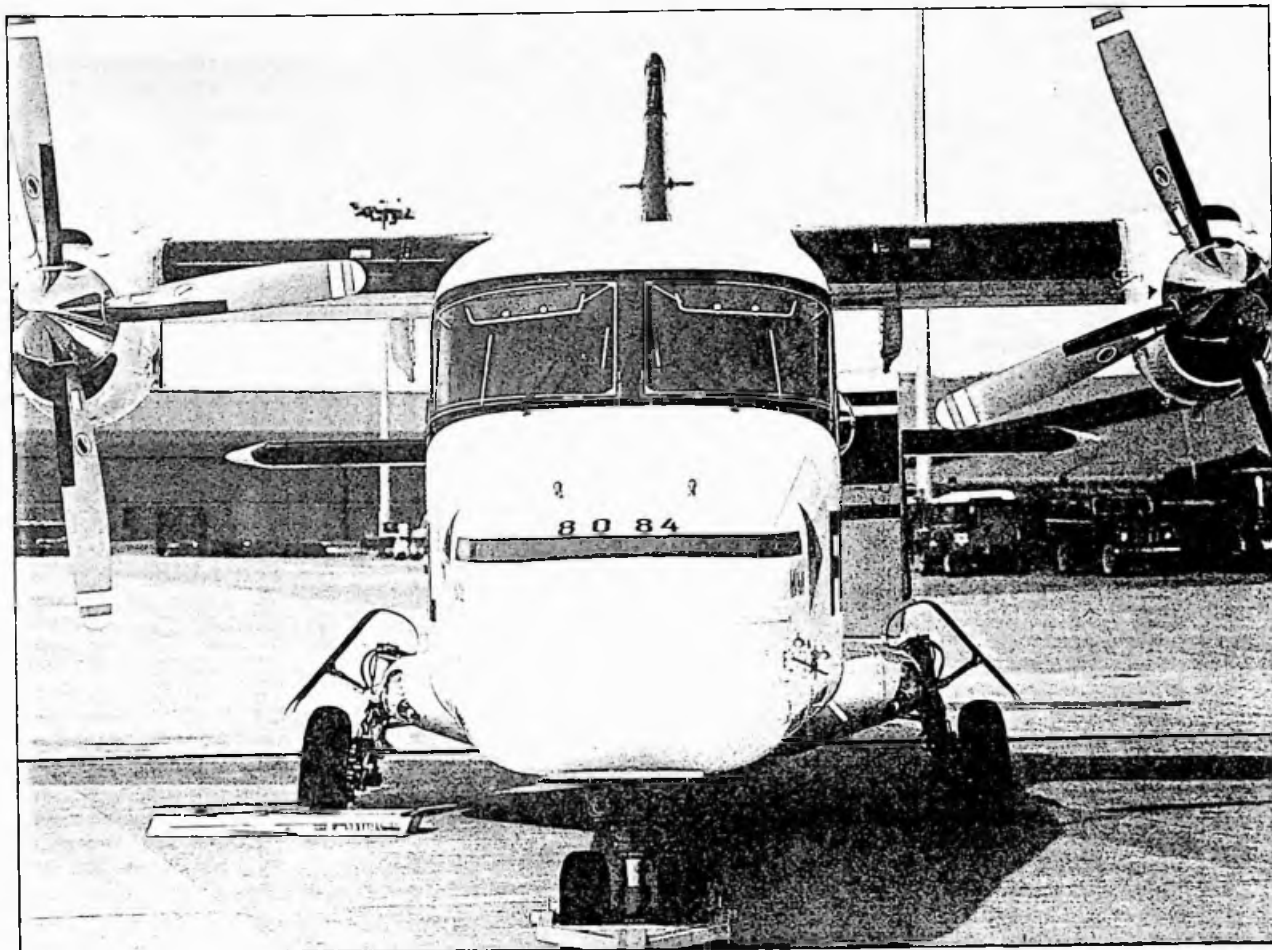
The five-storey floating barge, which was constructed as a temporary barracks for 890 British soldiers in the Falklands, could be moved to New York and made ready for use within two months.

"We're facing a major bed shortfall this fiscal year, and the Commissioner wants to be the first one in line with a cheque to buy the barge," said a spokesman for the correctional Department.

The barge, 300-ft long and 120-ft wide, was one of three used to shelter British troops in the islands shortly after the 1982 conflict with Argentina.

"They're enormous floating hotels," said a British Army spokesman in Port Stanley.

# Molly Mawk's conservation patrol



The Falklands' new fisheries conservation zone is now patrolled by a Dornier Do.228. **Eric Beech** reviews the aircraft's role, with photographs by **Janice Lowe**.

Until recently one of the world's largest fisheries, around the Falkland Islands, had remained unlicensed and unregulated. Concern about conserving fish stocks, and Argentina's agreement with the USSR in 1986 over fishing in the area, led the Falkland Islands Government to declare a fisheries conservation zone. Since February 1 this year the work of the Falkland Islands Fisheries Patrol, with its Dornier Do.228, has become central to the success of the



Top Molly Mawk at Mount Pleasant Airbase. Above The Falklands crest on its fin

operation.

The aircraft is used to reconnoitre the fisheries conservation zone, which extends out 150 miles from the islands. More than 200 fishing vessels from at least ten countries regularly operate in the area, and as many as possible have to be logged during the Dornier 228's daily sorties. The aircraft has been named after a local bird, the Molly Mawk, and certainly appears to be at home in the challenging flying conditions over the Falklands. Weather conditions, especially the strong winds, are notoriously unpredictable, but the Dornier can operate in crosswinds of up to 35kt, and appears to be robust enough for the patrol task.

The Fisheries Patrol mounts five sorties a week, weather permitting, and uses two crews. At the time of *Flight*'s visit a crew consisted of two pilots, who were both classed as Fisheries Protection Officers. Whatever evidence they might collect would be accepted in a court of law, in the

same way as if they were operating from a fisheries protection ship.

When the conservation zone was announced, in December 1986, the Falkland Islands Government, through the British Government, called on the Ministry of Agriculture, Fisheries, and Food (MAFF) to establish a fisheries directorate and patrol organisation within three months. Peter Derham, a chief inspector in the MAFF, was largely responsible for achieving the objective, so that by February 1 two fisheries protection ships and the fisheries aircraft were operational.

The Fisheries Directorate in Port Stanley tasks the vessels and the aircraft which work in concert to patrol the area. The conservation zone is divided into a grid, with each element measuring 30 miles by 15 miles. Every fishing vessel has to make a daily radio report giving its position, details of its catch, and quantities transhipped to refrigerated ships. The data is processed by computer at the Directorate's offices, to give a clear picture of where declared fishing activity is taking place.

As in all licensed fisheries, illegal fishing activity has to be tracked down. The Dornier is dispatched for anything up to five hours to survey the main concentrations of fishing vessels and to identify any ships which have not filed radio reports, or which are not accounted for in the licensing records. Up to 220 licences are allocated at a time. So far these have been allotted to vessels from countries such as Poland, South Korea, and Japan, which have historically fished in the area and which have voluntarily exercised restraint over catches in the past.

Molly Mawk is equipped with a Sperry 500 radar for surveillance purposes, and appears to be well suited to the task. However, crews comment that the system's large returns for all types of precipitation causes problems at times. From a normal operating altitude of 2000ft Molly Mawk drops down to 150ft above the waves to log each fishing vessel's registration and check it against a registry. Upon return to base the information is then sent to the directorate for



Left The Dornier overflies a "jigger" fishing for squid

Royal Navy Buccaneer pilot, and certainly no stranger to low-level operations over the sea. He says that patrol flying calls for "the same basic techniques... you could say it takes me back ten years".

The Fisheries Patrol operates quite separately from the Royal Air Force aircraft and the Royal Navy ships around the Falklands. Obviously, the Fisheries Directorate does advise the military of its intended tasking. At present the aircraft operates from Mount Pleasant Airbase, but, as Terry Plumb emphasises, the Fisheries Patrol does not have any secondary surveillance role in the military's Falklands Islands Protection Zone. While on patrol Molly Mawk has to make regular radio checks. Should the 228's crew fail to send their scheduled call, a search and rescue helicopter from the Royal Air Force's 78 Squadron at RAF Mount Pleasant would automatically be scrambled.

The 228 has been leased by the Falkland Islands Government through Dornier for the Fisheries Patrol. Originally, the aircraft was used by the MAFF for surveillance duties around the south-western approaches of the United Kingdom. It had formed part of an evaluation by the Ministry to assess the suitability of various aircraft for the fisheries protection role. When the MAFF was instructed to set up the Falklands Fisheries Patrol the Dornier was chosen because it was available, and because its endurance and low-speed search capability fitted the task. Bristow, based at RAF Mount Pleasant, currently holds the maintenance contract for the 228 and provides the flight crews.

The Fisheries Patrol has quickly established itself during the first four months of its operations. Ironically, the first fishing vessel to be found infringing the conservation zone was British-registered, but Molly Mawk has found its wings as guardian of the Falklands Fisheries. ■

further analysis. The fishery protection vessels are then tasked to investigate any evidence of infringements.

Once a concentration of fishing vessels is located, the crew agree a patrol pattern so that each vessel can be passed along its beam. The ships are seldom assembled in neat rows, so the Dornier has to weave between them, banking steeply at the end of each run. Although the pilots share the task of spotting the identifications, the workload is considerable. The Deputy Director of Fisheries, Terry Plumb, was concerned about this aspect of the mission, and told *Flight* that the Directorate did not rule out the possibility that an observer would be added to the flight crew in future.

The pilots of the Fisheries Patrol have nothing but praise for the Dornier. Capt Dennis Stoten, whose flying career spans 44 years, including ten on North Sea operations, describes the 228 as "a pilot's aircraft... very easy to fly and with good low-level handling characteristics. Its low stalling speed is ideal for the job." His copilot, Capt Mike Berry, is a former



## Barge offered as US prison

From Jonathan Steele  
in Washington

A barge specially built for British troops in the Falkland Islands may be used to accommodate prisoners in New York state.

Mr Thomas Coughlin, the Commissioner of Correctional Services, is to ask the state legislature next week to buy the floating barracks, one of three built after the Falklands war to house the troops until barracks were built on shore.

Mr Coughlin wants to reduce prison overcrowding by converting the 890-bed ship into one for 700 men.

He is also being offered the price benefits of the Government's privatisation policy. The barge, known as the FAB Pursuivant and now decommissioned, cost \$21 million (£13 million) but has been offered to New York state by a private consortium for between \$8 million and \$10 million.

It is a five-storey structure, 300ft long, which could be moved to New York within two months to ease a shortage of 4,700 beds in the prison system.

"It is literally a floating

city. It has a complete sewage system; it's got a salt-to-fresh water conversion system; it's even got a squash court," Mr James Flateau, a corrections department spokesman, said. It has two- and four-bed rooms.

It would cost about \$55 million to build a prison of similar size on land.

No site has yet been chosen for the barge, which needs to be moored in at least 12ft of water. The chairman of the crime and correction committee, Mr Christopher Mega, said the price was a bargain.

## Argentine officers given amnesty

Buenos Aires — The Argentine Congress gave final approval yesterday to a controversial law that will halt the human rights trials of all but a small number of high-ranking military officers (Eduardo Cué writes).

The 125-to-54 vote ended six weeks of intense behind-the-scenes manoeuvring in an effort to quell deep discontent that the trials have caused within the military establishment. Whether the law will have its desired effect remains to be seen. All officers with the rank of general or below will now be immune from prosecution on the grounds that they were "coerced". In practical terms, only between 40 and 50 retired officers may still be brought before the court.



## 'Dirty war' pardon approved

BUENOS AIRES — The House of Deputies yesterday approved a bill that would end prosecution of most military officers accused of human rights abuses during the 1970s "dirty war".

After seven hours' debate, the deputies approved controversial Senate amendments and sent the bill to President Raúl Alfonsín. He hopes the bill will help end military unrest that led to three army garrison rebellions in April.

The bill absolves soldiers up to the rank of brigadier general from prosecution on human rights abuse charges because they were presumably following orders from superiors.

Human rights groups estimate this would effectively end the pro-

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From William Heath  
of Associated Press

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secution of about 250 officers now on trial or facing charges in federal courts in connection with thousands of cases of kidnapping, torture and murder committed during the former military government's campaign against subversives. Only generals and servicemen accused of rape or abducting children will face prosecution under the new bill.

Deputy Balbino Zubiri, a member of Mr Alfonsín's Radical Civic Union, defended the Senate modifications, which raised the absolute limit from lieutenant colonel to brigadier general. He

said the bill would serve as a "concrete step towards achieving national unity . . . and overcoming animosities between civilians and military men".

House Majority Leader César Jaroslavsky, however, warned the armed forces, that "this law is the maximum and final offer that civilian power will make in seeking national reconciliation".

Opponents of the bill described the measure as "a mockery of justice" that would neither "pacify the country nor end tension and crisis". Human rights groups immediately labelled the bill a "poorly disguised amnesty" and accused the government of bowing to pressure from the armed forces.



# Most Argentine officers escape 'dirty war' trials

BY TIM COONE IN BUENOS AIRES

THE CONTROVERSIAL bill absolving most Argentine military officers accused of human rights abuses was approved by Argentina's Congress yesterday.

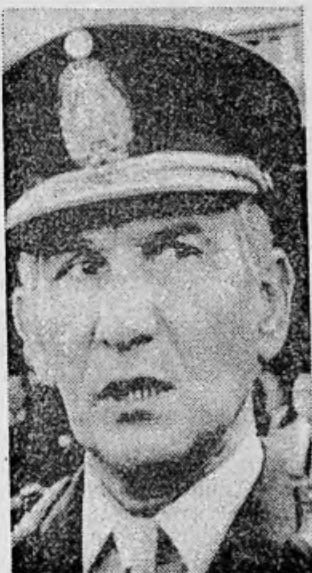
The law means the courts can now only press charges of murder and torture against senior officers responsible for planning the repression following the 1976 coup. More than 9,000 people disappeared after abduction by security forces.

Some 370 members of the security forces, ranging from sergeants to generals, face charges in the courts, but the law will now limit the number to be tried to between 30 and 50.

The bill has been pushed through the two houses of Congress by the government in the wake of the Easter military rebellion. The rebels demanded an end to the trials.

The bill has provoked criticism from human rights activists, opposition politicians, and even dissidents within the ruling Radical Party, who see the law as an unacceptable concession to military pressures.

In the closing debate on the bill, a leader of the opposition Peronists, Mr Jose Manzano, criticised the government for drafting the bill under pressure. The criticism was



General Jose Caridi: hard-line speeches

accepted by the head of the government benches, Mr Cesar Jaroslavsky, but he justified the haste as necessary "to save democracy."

Mr Manzano, who voted against the bill, said: "Nothing will convince us that torture and homicide can be permitted."

Doubts remain as to whether the law will be sufficient to end pressures on the govern-

ment from the armed forces. President Raul Alfonsin intimated to army chiefs last month that there may be "complementary measures" to the law absolving further senior officers. The president has the power of pardon, but it can only be invoked once sentence has been passed.

A further problem is that junior officers might still refuse to testify in the courts against their superiors. The latter now face the full weight of the charges for crimes such as murder and torture committed by their juniors, and which under the new law are assumed to have been carried out on orders from the high command. This is the fundamental justification of the "Due Obedience" bill.

Doubts have been voiced by the president of the Chamber of Deputies, Mr Juan Pugliese, a Radical, who after meeting President Alfonsin said that the head of the army, General Jose Caridi, "does not stop asking for more, and for me the problem is that he may be given more."

General Caridi has in the past week made two hardline speeches, giving every indication that the military has no intention of accepting criticism of its behaviour during the Dirty War.

## Argentina passes trials limitation

By Our Buenos Aires Correspondent

Argentina yesterday approved a Bill limiting the trials of officers accused of human rights violations committed during the former military regime's so-called "dirty war" against Left-wing terrorists in the 1970s.

The Bill will exempt military personnel from prosecution on human rights charges unless it can be proven within a period of 30 days that they were in command of a unit at the time of the "dirty war" operations in which thousands of people were kidnapped, tortured and killed.

## Jigging for squid

**HUGH ALLEN** continues his account of squid fishing with a look at jigging (*Fishing News*, May 29).

On the 1984 trials in the Moray Firth, squid were taken by jig during the day, which slightly questions the light theory.

It was generally felt that if the squid were located, they could be effectively fished by jigging, regardless of the size of boat. Scientists agree that fishermen with local knowledge may be better qualified to find the right areas, and after that the problem is to identify them on the sounder.

The trials vessel was using 28khz and, because when squid were caught a typical mark appeared on the sounder, it was assumed that this indicated squid. The Japanese on the other hand, use a high frequency and have now become quite adept at recognising them.

The large boats working the Falklands grounds keep station while fishing by shooting a large parachute drogue.

This would also be possible for smaller boats were it not for the fact that during trials, the shoals were found to fish very quickly, often taking off after five minutes.

Squid reaction to the lures suggests a sheeplike quality — if just one squid attacks a lure the rest of the shoal will follow suit.

If he is repelled, either by propeller noise (which may be a factor) or because the light is wrong, or simply because he does not like what he sees, he will dart away, taking the others with him.

It is important to keep a vessel's head to wind when jigging which comes back to the drogue or a mizzen or feathering a v.p. propeller, otherwise it is sufficient to drift with the tide or current.

Before investing in a jigging machine, of which there are a number on the market, it might be worth having a go with handlines, which has also been done successfully.

The handlines should be rigged with four lures about 0.9m. apart. The weight is simply lowered to the bottom and the line slowly hauled to, the surface. In shallow water, say 10 to 14 fathoms, the squid will take the lures at around 7 to 10 fathoms in the daytime, gradually closing the surface at night.

A jigging machine, which can be as simple as a mackerel gurdy or even a car

### The Hugh Allen column



wheel rigged to turn eccentrically, would take as many as 14 lures with a proportional increase in catch rate.

The technicalities of squid jigging are too extensive for more details this week, but if sufficient interest is shown, it will be possible to go into it more thoroughly at a later date, indicating where and how equipment may be obtained both for large and small boats.

As for finding the squid in the first place, the newspaper is hardly going to be up to the boys on the grounds with local knowledge.

I haven't said much about trawling, but the general consensus is that the higher the lift the better.

The Americans trawl for squid day and night, using high lift nets but catches drop significantly during the night time.

Nocturnal pelagic fishing has been attempted but with little or no success, partly due to the poor echoes on the sounder and partly due to the loss of the herding effect of the otter trawl.

One of the early Seafish reports suggested the possibility of using a small purse seine, but probably the less said about that the better.

## Argentina agrees to permit divorce

From Eduardo Cué, Buenos Aires

Argentina has withdrawn its name from the small list of nations which continue to prohibit divorce.

After a year of intense debate, the Chamber of Deputies overwhelmingly approved a divorce bill during a 40-minute session devoid of the emotionalism that has marked the debate in the past. The measure was approved by the Senate in May.

Now only Ireland, San Marino, Andorra, Malta, The Philippines and Paraguay continue to prohibit divorce.

The vote in the House came almost a year after the Chamber had originally approved the legislation. But this time the public galleries were nearly empty at the time of the vote, a sharp contrast to the noisy crowds that disrupted the debate last August.

The Argentine Catholic Church, which had fought a strong and, at times, divisive campaign against the legislation, had sponsored numerous

anti-divorce rallies across the country. But it has remained silent in recent weeks, no doubt aware that the battle was lost.

The Pope spoke out against divorce several times during his visit here in April, but in milder terms than he had used in the past.

Last autumn, in an action that caused deep Church divisions, the Argentine Bishops Conference "suggested" that bishops refuse Holy Communion to deputies who had voted to legalize divorce.

Although more than 95 per cent of Argentines are Catholic, public opinion polls have consistently indicated that two-thirds of the population favoured a divorce law. Between 1.2 and 2 million Argentines are separated from their spouses and many are living with new partners whom they cannot marry.

Divorce was legal in Argentina during the government of General Peron between June 1955 and March 1956.

### **Divorce law**

**Buenos Aires (Reuter) —**  
The Argentine Congress gave final approval to a law legalising divorce, despite a campaign against it by the Catholic Church.

## Argentine congress passes divorce law

BY TIM COONE IN BUENOS AIRES

"WHAT was all the shouting about?" seems to be the most immediate question. After one of the Argentine Congress' most hurried debates in history 40 minutes in total, divorce became legal in Argentina on Wednesday night with barely a whimper of protest.

The divorce issue has been a running debate in Argentina since the turn of the century. During the government of General Peron in the 1950s a short-lived law enabled some 900 couples to get divorced, but following a military coup in 1955 the Catholic church re-established its moral authority and the law was repealed.

The government of President Paul Alfonsin introduced the present bill in Congress last year. The bill has been shoved back and forth between commissions, the Upper and Lower Houses of the Congress, and subjected to endless delaying tactics by Conservative opponents, the latest of which was to postpone the final debate until after the Pope's visit to Argentina last April.

The conservative church hierarchy and its Congressional allies hoped that Pope John Paul II's admonitions against divorce would prick the con-

sciences of the bill's supporters, and would sway their votes against an overwhelming public opinion in favour of divorce. The rapid passage of the bill on Wednesday night clearly dashed those hopes, and is one of the most telling indicators of a weakening of the conservative wing of the Catholic church and its influence in Argentina.

Couples can now be divorced by mutual consent after three years of marriage, or separated after two, where it can be shown that continued matrimonial life together has become "morally impossible." After three years of legal separation, either partner can petition independantly for divorce.

Many had already taken the law into their own hands. According to a 1980 College of Sociology Graduates study, 1.4m Argentinians live as unmarried couples out of a total population of some 21m people over the age of 16. A further 460,000 are separated. The most celebrated and publicly-known separation was that of President Alfonsin himself who lived apart from his wife, until a reunion was effected before the 1983 electoral campaign.

NC

## Argentine sunflower seed crop down

BY TIM COONE IN BUENOS AIRES

THE LATEST estimates of 1987 Argentine sunflower seed production indicate a drop of 41 per cent on last year's level.

According to a specialist at the Argentine Cereals Exchange, the principal grain trading body in the country, this year's harvest is likely to reach only 2.2m tonnes, down from 4.1m tonnes in 1986.

He said the reasons for the fall were low yields—resulting from poor climatic conditions, especially during the harvest which is just drawing to a close—and a sharp drop in sowings in the second half of last year, because of low international prices. In addition the previous season had been a record one with over 3.1m hectares sown,

making the fall in the 1986/87 harvest much sharper.

As a result, the National Grain Board estimates that sunflower seed exports will be sharply down this year to about 100,000 tonnes, from 524,000 last year. Principal buyers last year were Mexico (235,000 tonnes), Portugal (93,000), the EEC (73,000) and Bulgaria (55,000).

A sharp fall can also be expected in oil exports. The bulk of the crop is usually pressed in Argentina and exported as oil and cattle feed. Sunflower oil production last year was 1.4m tonnes of which 950,000 tonnes was exported, major buyers being Egypt (153,000), the EC (149,000), Algeria (116,000), South Africa (100,000) and Cuba (89,000).

About half of this year's output can be expected to be absorbed by the local market, leaving some up to 500,000 tonnes for export.

Local prices for the crop have picked up in recent weeks, and although there is not expected to be a return to the record levels of 1985/86, experts believe that sowings for the 1987/88 crop will exceed the 1.9m hectares planted last season.

Argentina is a leading world producer of sunflower seeds. Total world production last year amounted to some 19m tonnes. With a major part of Argentina's crop being exported, either as seed or extracted oil, fluctuations in Argentine output have important influences on the international market.

Friday 5 June 1987

## Military advance

"Due obedience" has become a contentious issue not only in the armed forces of the Argentine but also within the ranks of the ruling radical party.

Backtracking by party leaders on human rights policy in the wake of last Easter's short-lived military rebellion by junior officers has resulted in disarray. My man in Buenos Aires says the issue could threaten to break party unity.

A spectacular somersault has now been made by Cesar Jaroslavsky, the party chief whip in the lower house chamber of deputies.

After invoking the name of the president, and forcing a controversial "Due obedience" Bill through the chamber, which will exculpate all junior and middle rank officers of the security forces for crimes of murder and torture committed during the military regime of 1976-83, he said that "Not a stop or comma" would be accepted as an amendment in the subsequent debate in the upper senate.

That statement was to reassure wavering party representatives in the face of pressure from the military and conservative opponents who wanted the Bill extended to protect senior officers — colonels and above.

Nevertheless, in the senate debate, the Bill has been amended on the instructions of president Alfonsín himself to protect some 50 more senior officers.

Jaroslavsky now says that is the "last concession" that the Government will make to the armed forces.

One deputy who is highly alarmed at the government's tactics is Federico Storani, head of the foreign affairs committee in the lower house. He

says he felt nausea in voting for the Bill, and only did so because of party discipline. He adds "There is no guarantee" that the military will not simply continue to press for more concessions if the Bill is finally approved.

Military discipline has, meanwhile, been re-established in Argentina. The senior officers now support the junior ranks in their demands for an end to the human rights trials, and for a general amnesty.



# WELLS JOURNAL

Somerset and West of England Advertiser

Thursday, June 4, 1987

## Candidate disowned

The Wells Falkland Island Agency has disowned the man who claims to be campaigning on behalf of the islanders for an MP's seat at Westminster.

But the Falkland Island agency in Tucker Street which has direct links with the South Atlantic Island has disassociated itself with Mr. Fish.

"We have received a number of inquiries about a parliamentary candidate who describes himself as an MP for the Falklands campaign," said a statement from the agency run by

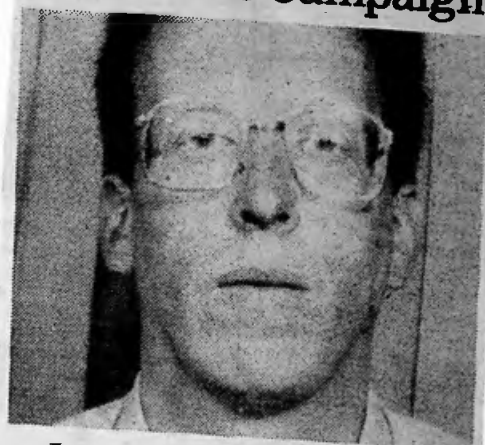
Annabelle Spencer and Brian Paul.

"Mr. Fish apparently wishes the Falkland Islands to be directly represented in Westminster. So far as we know this is not requested by the islanders themselves and his campaign is not endorsed by the Falklands Agency."

Mr. Fish says his campaign aims to display a petition in the Wells agency.

But Brian Paul said yesterday: "We are a non-political agency and there is no likelihood of us backing him or displaying any petitions. Mr. Fish has never shown his face here"

## MP for the Falkland Islanders Campaign



John Fish

I was born at Tenby, Wales, in 1953 and am unmarried. My education was at the local comprehensive and St. Andrew's University, from which I graduated in 1976, obtaining a BSc with applied mathematics as the major discipline.

I then spent three years either unemployed or engaged in temporary work as a postman, labourer, street cleaner, car park attendant, ice-cream man, barman and deck chair attendant.

In 1979 I entered the defence electronics industry with Marconi in Portsmouth, and worked as an electronics engineer.

November 1985 saw me arrive in Wells to work as a technical author at Thorn EMI.

At present I am

conducting a job-search and may well leave this area after the election.

In the past my interests revolved around sailing, sub-aqua, karate and keeping fit. I now tend to indulge in intellectually rather than physical, pastimes.

The Right of the Falkland Islanders to elect an MP to Westminster Campaign aims to raise two petitions. One in this country, viewable at the Falkland Island's Agency, Tucker Street, Wells, and one in the Falkland Islands. Both are addressed to our Head of State, Her Majesty Queen Elizabeth II.

Those wishing to consider supporting this campaign are, in no way obliged to vote for John Fish.

Daily Mail 12 June 1987

WELLS	
D	P
(C)	Heathcoat-Amory
A A S Butt Philip (L)	28.624
P James (Lab)	20.083
J S Fish (Falkland)	4.637
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NC

## Argentina and Brazil link for new airliner

By Michael Donne

EMBRAER of Brazil and an Argentinian aerospace group are to join forces to build a new 19-seater regional turbo-prop aircraft. The two companies hope to win a substantial part of the market for this type of aircraft.

Development cost of the aircraft—CBA 123—to be built by Embraer and its partner Fabrica Argentina de Material Aerospacial (FAMA) is put at \$300m (£187m), with FAMA taking a one-third share in the programme.

There will be two assembly lines, one in each country, and first deliveries will be in the early 1990s, at a price per aircraft of between \$3.2m and \$3.5m.

Embraer had originally signed an agreement with Short Brothers of Belfast for collaboration on the next generation of commuter and regional airliners to replace the existing Brasilia and Shorts 360.

That agreement was terminated by mutual consent, however, with Embraer moving closer to Argentina, and Short Brothers linking with de Havilland Aircraft Company of Canada.

Short Brothers and de Havilland are expected to announce a new commuter and regional airliner of their own at the forthcoming Paris Air Show.

NC

## Argentine pay deal keeps incomes policy intact

BY TIM COONE IN BUENOS AIRES

AFTER WEEKS of dispute, agreement was reached this week between the Argentine economy and labour ministries over the course of incomes policy.

An across-the-board 6 per cent wage increase is to be paid as of this month to compensate partially for the erosion of real incomes by inflation in recent months, a formula which was initially rejected by Mr Carlos Alderete, the Labour Minister, who has the backing of the powerful General Confederation of Labour.

The trade unions have been pressing for a more substantial increase, on the basis of a minimum rise of 30 Austral for

the lowest wage-earners, which would serve as baseline for pro-rata increases throughout the payscale. An economy ministry official said last week that to have acceded to the unions' demand would have "signified a very major pay increase, with strong inflationary effects."

The government's economic team seems to have maintained its incomes policy on track, despite earlier fears that the appointment of a trade union leader to head the labour ministry last April would lead to a collapse of the government's strategy to keep down demand while trying to deal with longer-term structural problems on the supply side of the economy.

# Proving the Argentine pudding

The weekend announcement that an element of World Bank co-financing is being introduced into the new debt package for Argentina adds an extra twirl to an already exotic menu of new money options for the commercial banks.

The Argentine package, the first to consist of such a variety of choices for banks, will be an important test of whether the so-called menu approach to new finance can help to overcome banks' continued reluctance to put up new money for debtor countries. This reluctance has proved to be one of the greatest weaknesses of the Baker debt plan, hence the efforts that United States Treasury Secretary James Baker and others have been putting into encouraging banks to develop the menu approach.

The World Bank co-financing is less attractive for banks than appears at first sight, amounting in effect to little more than a letter of comfort from the World Bank in respect of \$500m of the \$1.95bn of new money which the commercial banks are being asked to put up. There would be no legal obligation on the World Bank to guarantee the loan.

However in other respects the Argentine package is both innovative and adventurous. There is a  $\frac{3}{8}$  per cent fee for banks which sign up before 17 June, provision for \$2bn of debt/equity swaps over the next four years, and two types of bearer bond which could prove a useful way of dealing with the problem of the small banks. This has been a particular bugbear for Argentina because more than 100 banks account for less than 1 per cent of its foreign debt.

All the 350 bank creditors have the option of providing \$1m of their new money contribution in the form of bonds carrying the same  $\frac{7}{8}$  per cent margin as the syndicated loan element. In addition, banks can convert up to \$5m of their existing Argentine debt into a 25-year bond carrying a



fixed rate of 4 per cent. These exit bonds would allow many small banks to convert their entire exposure, in the process freeing them from further obligation to put up fresh money.

The restrictions imposed by the US Securities and Exchange Commission, which will inhibit US banks from trading the bonds for a two-year period, may deter some. But the main deterrent to opting for exit bonds is that it will involve crystallising a loss. In this respect Citicorp's decision to raise sharply its loan loss provisions is an encouraging step but it remains to be seen whether small banks will be prepared to follow suit.

# Alfonsín banks on respite from military troubles

THE ARGENTINE Senate's approval of an expanded version of the "due obedience" law, exempting lower-ranking officers from human rights trials, will provide the government of Raúl Alfonsín with a breathing space, according to sources close to the military.

During this respite, a special congressional committee will begin a search for solutions to the deeper problems affecting civilian-military relations.

The law, passed by the Senate on Friday with a 23-4 vote, extended exemption from human rights trials to all military and police officers with the rank of Major-General and below. The ver-

sion passed on 16 May in the House of Deputies was more limited, granting immunity to Lieutenant-Colonels and below.

Because of the changes, the bill must now return for final approval in the lower house with debate scheduled to begin on Thursday. Despite the government's comfortable majority, the extended amnesty will encounter much resistance among members of the President's own party, and the vote will be close.

On the military front, the four chiefs of staff have relayed their satisfaction to President Alfonsín with the law as passed by the Senate. Mid-ranking officers involved

in the events of the Easter weekend military crisis have also made it known that they consider the expanded "due obedience" law a positive step towards reopening a dialogue with the government.

The view held by the civilian population as a whole is more difficult to judge. However, the results of a survey published on Sunday in the newspaper *La Nación* show that many Argentines place other concerns above the issue of the military trials.

Economic issues overwhelmingly dominated the responses, with education and crime as distant additional topics. When asked to rank a selected list of problems, including the military trials issue, only 18 per cent placed it among the top four concerns.

Sociologist Torcuato di Tella says that most Argentines want to place the questions raised by the conduct of the military behind them. "This is positive for the government", he says, "as it gives it more margin, but it is also positive for the future of the country."

This belief, that apathy equals

stability, is doubted by many who argue that the Radical government is too weakened by the internal fractures to confront what lies ahead. "The fact is there was a military coup at the Easter weekend," says a Peronist political leader, Dante Loss.

Mr Loss is convinced that the armed forces will continue to pressure for more concessions, contributing to a steady deterioration of civilian power. Another commentator said: "This crisis, in reality, is the product of concessions, not demands... today the aim is an amnesty; tomorrow it will be a coup d'état."

Reaction from officials has done little to calm these fears, and reinforced the impression that the government lacks a strategy for dealing with the military that goes beyond stopping the human rights trials.

For example, Cesar Jaroslazsky, Radical Party Whip in the House of Deputies, was asked in a recent interview what could break the advance of the armed forces and if there was not a formula for containing military pressure. "If you find such a formula, you'll be made king," he responded, adding that "it's like saying that you can control the rain and decide on the rising of the sun".

# West Germans retain role in embargoed Iran nuclear project

A WEST GERMAN company is playing a key role in a growing nuclear relationship between Argentina and Iran — even though its own nuclear exports to the Gulf state have been blocked by the Bonn government.

Negotiations are understood to be at an advanced stage on a nuclear collaboration accord between Buenos Aires and Tehran in which a major clause will provide for Argentina to assist with the completion of Iran's 1,293-megawatt Bushehr-I nuclear power station. The plant will be fuelled by enriched uranium.

Work on the scheme, for which the German company Kraftwerk Union is the main contractor, began under the Shah but was interrupted after the Islamic revolution in 1979. Faced with major electricity shortages, Tehran decided in 1980 to resume construction. Work has been hindered by Iraqi air raids and even more by a decision by the West German government in October 1984 to block export licences for materials for the scheme under a policy of freezing nuclear exports to areas of tension. Presently the project is three-quarters com-

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By Alan George

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plete, with the reactor still to be built.

On the Argentine side the talks are being conducted by the Empresa Nuclear Argentina de Centrales Eléctricas (ENACE), the country's nuclear contracting company, which is 75 per cent owned by the Atomic Energy Commission, (CNEA). However the other quarter of ENACE is owned by none other than Kraftwerk Union.

The German company is deeply involved in Argentina's nuclear programme. It is building the country's third nuclear power station, Atucha II, and it hopes to win a major share of the work for the \$1bn (£625m) fourth plant, Argos, for which ENACE recently submitted designs to the CNEA.

Specialists are in no doubt that Kraftwerk Union would be heavily involved in any Argentine programme to complete the Bushehr-I station. Jim Varley, editor of the journal *Nuclear Engineering International* said: "The Argentine nuclear programme

owes a lot to technology transfer from West Germany and one would expect that continued close collaboration would be needed" to complete the Bushehr project.

It is understood meanwhile, that Iran and Argentina have just concluded a separate agreement under which Buenos Aires will supply enriched uranium for a research reactor at Tehran University. The source will be the Pilcaniyeu enrichment plant in Patagonia, which is scheduled for commissioning this year.

Despite strong pressure from the United States, Buenos Aires has resolutely refused to ratify the nuclear non-proliferation treaty. Moreover the Pilcaniyeu enrichment plant is one of several nuclear installations which are not subject to monitoring procedures laid down by the Vienna-based international Atomic Energy Agency (IAEA).

Argentina has become an increasingly important supplier of arms to Iran. In March it was disclosed that Fabricaciones Militares, an arms group owned by the Argentine military, had signed a \$31m deal to supply Argentine weapons to Tehran.

### No Falklands

**St Pierre et Miquelon (Reuter)** — President Mitterrand, rounding off a five-day visit to Canada, was angered by suggestions that France should send forces to guarantee fishing rights off these French islands near Canada's province of Newfoundland, presidential aides said. Albert Pen, a member of the French Senate and mayor of Saint Pierre, had urged Mitterrand to act "with the same firmness shown by Margaret Thatcher defending her Falkland Islands".

# World Bank loan linked to funding for Argentina

BY ALEXANDER NICOLL IN NEW YORK

A \$500m loan, linked to World Bank funding, has been embodied in the \$1.95bn new finance which Argentina is seeking from commercial banks.

Banks arranging the package, which also includes a \$30bn re-scheduling, are hoping that the co-financing will help to persuade other creditor banks to participate.

The Argentine package is seen as a crucial test of commercial banks' readiness to continue to advance new money to troubled debtors in the developing world, after the decision by some US banks to write down part of their exposure in the Third World.

Citicorp, which led this move by adding \$3bn to its loan loss reserves, is chairman of the advisory committee of creditor banks with Argentine exposure. It has insisted that the loss provision has not altered its commitment to new finance.

The Argentine deal is expected to be difficult to complete, though it includes a broad range of ways in which banks may participate and fees to attract early commitment.

The \$500m co-financing will be directly linked to a loan of the same size already agreed by the World Bank to support

structural economic reform. Disbursements will be made in tandem and a default in service of one loan could trigger default on the other.

A \$1.55bn term loan, which had been part of the package, is scaled down to \$1.05bn. The remainder consists of a \$400m trade credit. The \$500m loan will have the same terms as the term credit, with a 12-year maturity, five years' grace and an interest margin over money market rates of  $\frac{1}{4}$  of a percentage point.

The package is the best example so far of the menu approach which offers alternative financing options. For the first time, these include two types of bonds.

The advisory committee said it had received a "no-action" letter from the US Securities and Exchange Commission, which would help the bonds to become tradeable. After lock-up periods, they will become bearer instruments. For US banks in the US, the lock-up will be for two years, during which banks which buy the bonds may trade them among themselves.

The first deadline for the package is June 17. Banks committed before this date will receive a  $\frac{1}{4}$  percentage point fee.



# INTERNATIONAL FISHING NEWS

June 1987



## Falklands visitors

PEOPLE connected with fisheries research and industry development in the Falkland Islands are shown the kind of processing activity that could be set up there in the future.

Seen here in the Hull factory of Marr Frozen Foods Ltd. are (left to right) David Taylor, retiring chief executive of the Falkland Islands Government, Simon Armstrong, Dr. John Beddington, a director of Stanley Fishing Ltd. and Marr factory manager Sid Jarvis.

The three visitors toured the processing plant after a board meeting of Stanmarr Ltd., the joint company set up by the Falkland Islands and the Marr family companies to develop fisheries in the South-west Atlantic.

LICENCE fees for the second season of the Falkland Islands fisheries have now been finalised by the islands' government.

The season, which runs from July 1 to December 31, is open to trawlers only.

## Sardines into surimi

THE reduction in Alaskan pollock stocks and the higher price fetched by the fish have caused Japanese processors to seek other raw material for surimi production. Their latest breakthrough involves using pilchards (sardines).

The technology to make surimi from pilchards opens up new sources for Japanese manufacturers. They are reportedly looking to South America for future supplies.

Meanwhile, sales of Japanese made surimi to the United States have declined. Last year the total was 25,000 metric tons, compared with over 30,000 tons in 1985.

However, the inventory of surimi available in the United States increased in the first quarter of 1987. About 6.4 million lb was on hand in February, while in the same period last year there was 5.9 million lb. In January 1986, the figure was only 1.3 million lb.

BRITAIN'S TOP SELLER WITH THE BEST AIDS!

# STAMP MAGAZINE

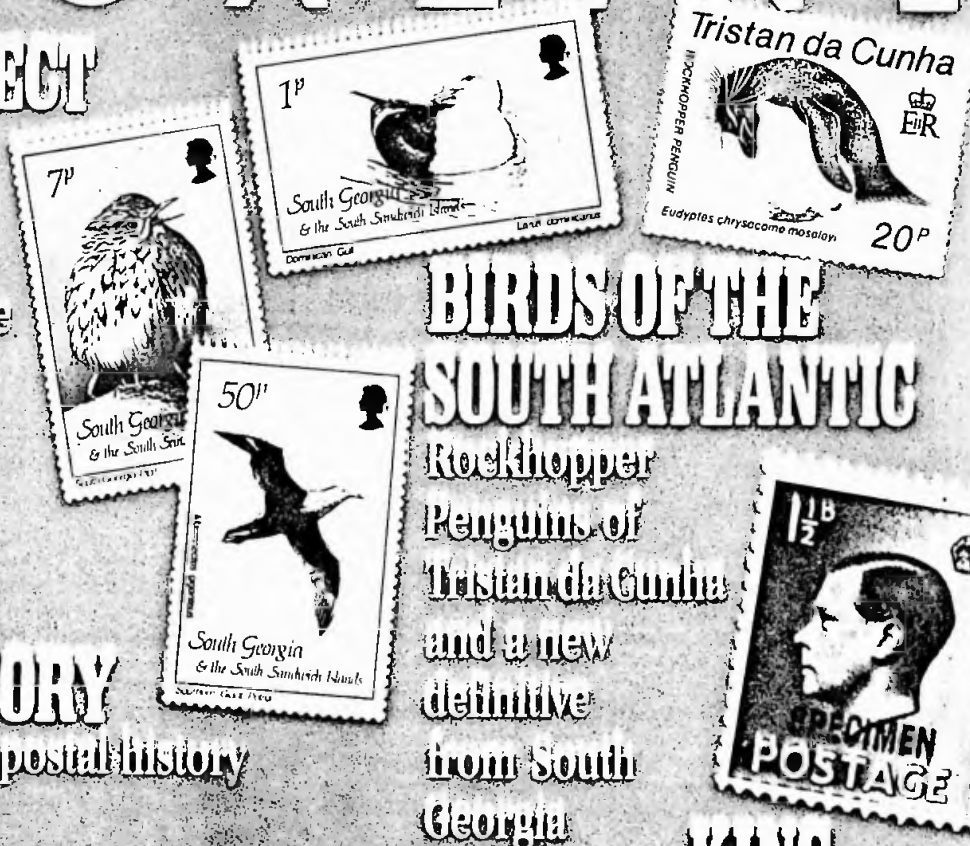
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## CANADIAN POSTAL HISTORY

A look at Canadian postal history  
of the 18th century



## BIRDS OF THE SOUTH ATLANTIC

Rockhopper  
Penguins of  
Tristan da Cunha  
and a new  
definitive  
from South  
Georgia

1887-1987

THE CENTENNIAL OF  
ORGANIZED PHILATELY  
IN CANADALE CENTENAIRE DE  
L'ORGANISATION DE LA  
PHILATÉLIE AU CANADA

## KING EDWARD VIII

A study of  
the issued  
stamps

CAPEX 87

INTERNATIONAL  
PHILATELIC  
EXHIBITION  
TORONTO  
1987 OCT 13-21

EXPOSITION  
PHILATÉLIQUE  
INTERNATIONALE  
TORONTO  
1987 OCT 13-21

**WORLD NEW ISSUE GUIDE**  
with thematic cross-reference

A new name for the stamp album,  
South Georgia and the South Sandwich Islands, the first definitives  
from which show bird life, also featured on a new set from Tristan da Cunha,  
as described by Barbara Last.

# Bird life in Antarctica

**S**outh Georgia is an isolated, inhospitable island of spectacular mountains lying in the sub-Antarctic seas, most of it held permanently in the grip of snow and ice, some 800 miles east of the Falklands. High sea cliffs and mountains are pierced by deep glaciated fjords and rocky outcrops. In summer lakes, pools and swamps feed swamps and bogs, and elephant seals lie packed on coastal beaches.

It was charted, named and annexed by James Cook RN in 1775; he discovered many of the rocky islands that lie scattered casually in its vicinity. Clarke Rocks (Falkland Islands Dependencies SG83) and Willis Island (FID SG76) were named after officers of HMS *Resolution*, and he named Bird Island (FID SG76) on South Georgia's northwest tip after seeing the thousands of birds on the island that is now the main base for the study of birdlife by the British Antarctic Survey.

Birds are the subject of 15 new definitives for South Georgia and the South Sandwich Islands due for release in May, and there is a set showing Rockhopper Penguins to be released on June 22 by Tristan da Cunha. Seabirds, mostly penguins and petrels, flock in thou-



in summer there are few places free from ice and snow, and the pelagic seabirds congregate in their thousands to form huge, clamorous rookeries on the rocks and islands around Antarctica.

In South Georgia there are five resident land or fresh water birds. The smallest terrestrial is the South Georgia Pipit (7p), a songbird about the size of a sparrow, and the only passerine to breed in the Antarctic region. It has evolved into a distinct species only found in the island, feeding on insects and spiders in meadows and streams, and in

and Falkland cousins. It feeds on algae in freshwater ponds in summer, and in winter forms flocks in sheltered bays. It lays five creamy eggs in a down-lined grass nest. The eggs are the prey of rats and skuas.

The Dominican gull, otherwise known as the Kelp or Southern Black-backed gull, is a widespread coastal forager (1p). It is the most southerly breeding gull, its breeding range extending from the Antarctic Peninsula to the Peruvian coast almost to the equator, and right round the sub-Antarctic islands. An inshore-feeder it

(2p) is a black-backed, white-breasted member of the shag family. It is seldom found far from land or ice-edge, and dives for fish to a depth of 30 metres. These birds breed on the chain of islands stretching north from the Antarctic Peninsula, and north and east to South Georgia and Slag Rocks (FID SG75). They nest in colonies of 20-40 pairs, sometimes with Gentoo and Chinstrap penguins. Nests of mud, guano and seaweed, holding two to five long oval eggs, are built on coastal cliffs and stacks. Because of distinctive feeding patterns among the 22 species of pelagic birds and the rarity of suitable breeding sites, there are high concentrations of many species nesting together in places like Bird Island.

The snow-white Wattle-necked Shearwater (3p) is a pigeon-like scavenger, 16 inches long, which explores penguin and seabird rookeries, eating anything remotely food-like. Known as 'paddies', solitary pairs make nests of feathers, eggshell, bones and other debris near rookeries, in rocky crevasses or tussock. During the chick-rearing season, the 'paddy' keeps an eye on parent penguins bringing back krill for their young. The scavenger craftily darts in to retrieve any spillages, and nips out smartly before being attacked. In winter, the younger birds migrate in large numbers to Tierra del Fuego, Patagonia and the Falklands, while the older, lazier birds root for food among King Penguin colonies and human rubbish tips.

The Southern Skua (4p) is a brown, heavily-built bird resembling a gull, with strong hooked beak. Although clumsy-looking on the ground, in flight these aggressive pirates pursue other seabirds, even the huge albatross, flying down their victims to force them to disgorge the contents of their crop, which they themselves then swallow. Solitary pairs, sometimes in loose groups near petrel and penguin rookeries, make moss or lichen-lined nests of grass or seaweed. The chicks usually leave the nest the day after



sands to breed. For a life spent mainly at sea they have a very thick, waterproof plumage and a layer of fat under the skin to keep them warm. Seabirds range widely over the southern oceans where plankton-rich waters are found between the Antarctic Continent and the Antarctic Convergence. Even

winter on tideline debris. It moves in short, spurring runs with the distinctive dips of the tail like a wagtail. They breed in rat-free areas of Bird Island. The South Georgia Pintail (8p) is one of the only two types of waterfowl. Some 15 inches long, about the size of a teal, this duck is smaller than its Patagonian

seldom leaves the sight of land, and feeds on molluscs, invertebrates and carrion, dropping shellfish from a height in order to break their shells on the rocks below. Its diet is very varied. Eggs are laid in lichen or seaweed scrapes in small colonies on beaches and headlands.

The Blue-Eyed Cormorant



hatching, relying on their protective colouring and defending parents who attack intruders ferociously. They are independent at three months, and become pelagic throughout the winter. All nesting birds in these regions have to protect eggs and chicks from the scavenging skua, which keeps the colonies clean.

The next group is the petrels. The small eight-inch long South Georgia Diving Petrel (6p) is one of the four diving species, all native to the southern hemisphere. They have stubby, white-bellied bodies with black backs, short necks and small wings. Their flight is very characteristic, for after a short, fast burst low over the waves, they enter the water at speed, appearing again with wings whirring as if emerging from underwater flight. In heavy seas they often fly directly through a wavecrest and out the other side. Crustaceans, cephalopods and probably small fish are caught by this method of underwater flying. They breed in the region 40°S to 60°S from South Georgia to New Zealand. Nesting in colonies usually inland in areas of soft soil, sand or ash, well above sea level, they come ashore only at night to avoid predators. One egg is laid in a chamber along a winding metre-long tunnel, with the entrance hole under a rock.

The Fairy Prion (9p) is about the size of our Blackbird. These petrels have white undersides with bluish-grey backs and dark-tipped tails. In flight, which is light and erratic, they show a dark 'W' across the wings and back. They nest mainly in the islands off New

Zealand, and in Marion and Prince Edward Islands. So far they are known in the South Atlantic only on Beauchere Island, the Falklands, and on Bird Island where they have been discovered breeding since 1979. While feeding they flutter with legs afloat, gleaning food from the surface. The main enemy is the Brown Skua which is deadly by night and day at close quarters, but in the air the swift and agile Prion can outfly its adversary.

## Cape Pigeon

The Cape Pigeon or Pintado Petrel (5p) is a heavier medium-sized bird with a notably dappled black and white plumage. Successive generations of sailors have thought it resembles a pigeon as it suddenly appears from nowhere when scraps are cast overboard. It feeds only at sea frequently in sociable, noisy gatherings, eating krill, cephalopods and carrion. When feeding on small fry it adopts an upright pigeon-like posture and, energetically paddling with its feet, churns up food which it pecks at as it rises to the surface. Colonies of up to 2,000 pairs breed on steep cliff-faces over the whole region. In

winter it ranges widely, flying as far north as 35°S and to the equator on the west coast of South America. It is a rare vagrant to European waters. Once it was present in vast clouds during the whaling season as it fed on floating refuse from the stations. Like all petrels it has a distinctive smell of musk which in some species is overpowering, and very persistent on clothing. It has been suggested that the odour assists them in locating nesting sites.

The Southern Giant Petrel (50p) is the largest of the fulmar-petrels. It is similar in size to, but less graceful than the small albatross, and this 'Antarctic vulture' is a powerful and voracious scavenger, gobbling up anything edible, even wounded birds at sea. On land it waddles around rookeries, preying on seals and penguins and their chicks. It has the disgusting habit of ejecting a foul-smelling jet of stomach vomit at its enemies, which has earned it the nicknames 'black molly' and 'stinker'. It nests on headlands and open beaches in colonies of up to 300 pairs. Adults do not start breeding until they are about seven years old, and both parents share the incubation period for the single egg on its mound of pebbles. The chicks depart 115 days after hatching to spend two to three wide-ranging years at sea before settling down to life around Antarctica.

The Light-Mantled Sooty Albatross (25p) is another ship-following wanderer to be seen anywhere between the northern edge of the pack ice and 33°S, as well as large numbers in the Beagle Channel and

around Cape Horn. They usually alight on the water, but sometimes plunge underwater directly from flight. They are graceful and handsome birds. In the south Atlantic they breed only on South Georgia. Courtship is marked by aerial manoeuvres and flights in unison, and at the nesting site by bill-snapping displays. A single red-spotted egg is laid in a nest of mud and vegetation built up to a height of six inches. On Bird Island artificial nests on which the chick sits are substituted for real ones. They automatically record weights, and time and size of feeds, without disturbing the chick.

The Wandering Albatross (£1) is seen anywhere in the southern oceans. It is the largest flying bird in the world, weighing up to 27 lbs, with a wingspan of eleven feet. They have great powers of flight, and will follow a ship for weeks, eating refuse thrown overboard. Their main food is fish and squid caught usually at night as they sit on the water. There is an old belief that these huge birds embody the souls of dead sailors, and that if killed they bring bad luck to the ship, a superstition on which Coleridge based his *Rime of the Ancient Mariner*. There are about 4,300 pairs in South Georgia, mainly on Bird Island. Chicks are reared on squid, remaining in the nest for 278 days until departing. Successful parents can only breed once every two years, and many live for over 50 years. Birds ringed on Bird Island have been found in Australia. They are magnificent on the wing, but like the giant petrels have difficulty becoming airborne without getting up speed, and nests usually have adjacent 'runways'. Taking off from water is an arduous affair. Courtship displays on land produce bill-clapping, braying and gobbling as the pair dance with outspread wings.

Early records note the killing of thousands of penguins to provide food for sailors and commercial oil. Killer whales and the leopard seal are the penguin's main enemies, apart from man, and the leopard seal can, with a quick, powerful flick of its head, strip the skin off and swallow the penguin whole. Although unable to fly, the endearing penguins are birds of great agility under water, using their flippers like wings to obtain speeds of 25mph, which enable them to shoot out of the water like rockets. Chicks are fed on krill, adults feed mainly on squid.





Macaroni Penguins (20p) follow a pelagic existence. Only in the breeding period do they inhabit large rookeries situated on open sloping ground or on steep rocks or cliffs. Sometimes they share nesting sites with Chinstraps and Rockhoppers. Roughly five million pairs are estimated to nest in South Georgia, particularly on Willis Island. They begin to breed after the age of five. The males choose nesting sites, where noisy, trumpeting courtship displays are staged.

The Chinstrap (10p) is a medium-sized, sociable, and belligerent penguin which will attack with both bill and flippers. They feed mainly on krill and small fish, and breed on the Antarctic Peninsula as far south as Anvers Island, and particularly in the South Sandwich group where enormous numbers congregate on Zavo-dovski Island (FID SG121). Huge rookeries are formed in flat coastal areas. Two eggs are laid on a nest of pebbles. Apart from skuas and petrels, again their main enemies are leopard seals patrolling the landing beaches. They are thought to be increasing their numbers on South Georgia, which is the northern limit to their range.

## King Penguin

The highest value is reserved for the large and beautiful King Penguin (£3) which is found everywhere in the circumpolar regions. Georg Forster, Captain Cook's naturalist in 1775, drew this handsome creature, which was depicted on South Georgia SG 72, and also on the 22p in the Early Naturalists set (FID SG 135), together with a portrait of Georg's father, Johann. Breeding cycles of the King Penguin take 14-16 months to complete, so that a pair can only

breed twice in three years. They have no nest, but incubation takes over 50 days as the parents take turns to hold the egg between their feet and a fold of skin on the body. The chick goes to sea after 10 to 13 months.

The new definitives were designed by Tony Chater. They complement many stamps of the fauna of the southern oceans that have been released by several countries.

The Tristan da Cunha Rockhopper set (10p, 20p, 30p and 50p) was designed by Ian Strange who also produced the Falkland 'Jumping Jackass', alias Rockhopper, set last year. The Rockhopper is noticeable for its red eyes and drooping crest. It has a circumpolar distribution with three sub-species recognised. Adults spend six months at sea between breeding cycles, and immature birds are entirely pelagic except for short periods ashore to moult. Routes from landing places to colonies situated high on rocky, formidable coasts, are marked by polished rocks which are deeply scored by bird feet and claws, testifying to their use over many centuries. These smaller penguins are very aggressive, and will attack trespassers in rookeries by jumping up and pecking as high as they can reach. They arrange crèches for their chicks from the age of 16 days to provide some protection from roving skuas and gulls.

These stamps, too, will make attractive additions to collections featuring birds of the southern seas.

## References

Robert Headland, *The Island of South Georgia*; Tony Chater, Ian Strange.

# CHANNEL ISLANDS

Prices are for MINT U/M, very fine used and fdc (full set on one clean illustrated cover)

GUERNSEY			JERSEY			ISLE OF MAN		
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69 Brock	2.90	2.00 2.60	69 Inaug	2.90	5.00 5.00	73 Inaug	.34	.35 1.40
70 Liberation	2.90	1.80 2.40	70 Liberation	2.90	2.00 2.60	73 Railway	1.60	1.50 1.40
70 Agriculture	19.50	3.50 3.90	70 80 Flowers	15.00	3.50 3.90	73 Grand Prix	.15	.15 .35
71 Christmas	2.90	1.50 2.20	71 Wildlife	12.00	4.00 4.50	73 R. Wedding	.50	.45 .70
71 De la Rue	6.60	3.00 3.50	71 Legion	3.90	3.00 3.50	74 Lieboat	.70	.65 1.10
71 Christmas	2.95	2.00 2.50	71 Paintings	3.80	3.00 3.80	74 TT Races	.60	.50 .70
72 Mailboats	1.00	.80 2.20	72 Flowers	3.80	3.00 3.50	74 Historical	.40	.40 .60
72 Bull	.60	.50 .90	72 Wildlife	2.50	2.25 2.60	74 Churchill	.48	.45 .60
72 Flowers	1.00	.90 1.70	72 Mahua	1.40	1.30 2.40	74 Churchill m/s	.48	.45 .60
72 Wedding	.70	.70 1.00	72 Wedding	.50	.50 1.50	75 Cleveland	.40	.40 .60
73 Mailboats	.80	.65 .90	73 Societe	.45	.35 .90	75 TT Races	.50	.45 .85
73 Aircraft	.70	.50 .70	73 Aviation	.50	.50 1.00	75 Goldie	.50	.45 .80
73 Christmas	.40	.40 .70	73 Railway	.45	.45 .90	75 Bible	.50	.45 .80
73 Wedding	.40	.35 .50	73 R. Wedding	.35	.35 .60	76 Bicent	.60	.55 .80
74 Lieboat	.40	.35 .70	73 Marine	.35	.35 .70	76 Bicent m/s	.80	.70 2.20
74 UPU	.40	.40 .70	74 Flowers	.35	.35 .80	76 Trams	.50	.50 .75
74 Paintings	.40	.35 .80	74 UPU	.45	.45 .70	76 Europa	.80	.75 1.70
75 Ferns	.40	.40 .70	74 Anniv	.50	.50 .70	76 Uni.	.80	.45 .60
75 Hugo	.40	.40 .70	74 Paintings	.50	.50 .80	77 S. Jubilee	.60	.45 .60
75 Hugo m/s	.40	.45 1.40	75 Farming	.35	.35 .70	77 Europa	.25	.50 .60
75 Christmas	.40	.40 .60	75 Visit	.30	.30 .60	77 Linked Anniv.	.55	.50 .75
76 Lighthouses	.45	.50 .70	75 Tourism	.40	.40 .70	77 Wesley	.55	.50 .75
76 Christmas	.60	.60 .70	75 Tourism m/s	.40	.40 .80	78 RAF	.55	.50 .85
76 Views	.50	.50 .80	75 Birds	.58	.55 .80	78 Coronation	.35	.32 .50
76 Buildings	.50	.50 .80	75 R.A.F.A.	.50	.50 .90	78 Europa	.60	.55 .60
77 S. Jubilee	.55	.60 .80	76 Bicent	.45	.45 .70	78 Links	.65	.50 .80
77 Europa	.70	.35 .70	76 Grandin	.45	.45 .80	78 Christmas	.10	.10 .25
77 Monuments	.50	.50 .80	77 S. Jubilee	.50	.50 1.00	79 History	.50	.60 .60
77 St. John	.50	.50 .80	77 Coins	.45	.45 .80	79 Europa	.25	.25 .40
78 Prints	.60	.50 .70	77 St. John	.45	.45 .80	79 Millennium	.50	.50 .75
78 Europa	.20	.20 .50	77 College	.60	.50 .80	79 R. Visit	.30	.28 .30
78 Coronation	.30	.30 .50	78 Golf	.60	.50 .80	79 Odin's Raven	.20	.20 .30
78 Queen's Visit	.15	.11 .40	78 Europa	.40	.35 .60	79 Quilham	.50	.50 .72
78 Birds	.50	.45 .80	78 Canada	.60	.55 .85	79 Child	.20	.18 .40
78 Christmas	.50	.45 .75	78 Coronation	.40	.40 .70	80 Geographical	.70	.67 .80
79 Europa	.25	.20 .50	78 Mailboats	.60	.60 .90	80 S. Packet	.85	.80 1.50
79 Transport	.50	.45 .80	79 Cattle	.40	.40 .60	80 S. Packet m/s	1.00	.95 1.50
79 PO m/sheet	.55	.55 .80	79 Europa	.45	.45 .80	80 Europa	.20	.17 .40
80 Europa	.30	.30 .50	79 Air Rally	.60	.60 .90	80 Norway m/s	.60	.45 .75
80 Police	.50	.50 .70	79 Paintings	.70	.70 .90	80 Kermodes	.80	.75 1.00
80 Goats	.75	.70 .90	79 Wildlife	.70	.65 .90	80 Birds	.25	.24 .50
80 Paintings	.80	.75 1.00	80 Fortresses	.70	.70 .95	81 Fishermen	.90	.85 1.30
81 Butterflies	.90	.90 1.20	80 Europa	.60	.55 .80	81 Europa	.35	.35 .60
81 Europa	.40	.40 .80	80 Potato	.50	.45 .80	81 Wilks	.90	.85 1.20
81 R. Wedding	1.20	1.10 1.80	80 Motoring	.85	.80 1.30	81 Women	.15	.13 .35
81 R. Wedd m/s	1.35	1.30 1.80	80 Drake	.90	.85 1.40	81 R. Wedding	.50	.50 1.00
81 Transport	1.10	1.00 1.40	81 Battle	.75	.70 1.00	81 Wedding m/s	1.20	1.10 1.20
81 Disabled	.90	.85 1.20	81 Battle m/s	.75	.70 .95	81 Legion	.70	.65 .90
82 Prints	.90	.85 1.20	81 Europa	.75	.70 .95	81 Christmas	.25	.22 .60
82 Societe	1.80	1.50 2.00	81 Gastlight	1.10	1.00 1.40	82 Scouts	1.40	1.30 1.50
82 Europa	.50	.45 .70	81 R. Wedding	1.00	.90 1.40	82 Europa	.35	.35 .60
82 Scouts	1.10	1.00 1.60	81 Christmas	.60	.55 .70	82 TT Races	1.40	1.25 1.50
82 Christmas	1.40	1.25 1.80	82 Europa	.75	.70 1.00	82 Mailboats	.50	.45 .75
83 Brigade	1.50	1.35 1.80	82 France	1.20	1.10 1.20	82 Christmas	.35	.30 .60
83 Europa	.95	.95 1.40	82 Scouts	1.40	1.30 1.70	82 Birthday m/s	.90	.80 1.40
83 Paintings	1.50	1.40 1.80	83 Adventurers	1.50	1.40 1.90	83 Army	1.10	.95 1.30
83 Shipping	1.50	1.40 1.80	83 Europa	.85	.80 1.20	83 K.W. College	1.30	1.15 1.40
84 Dame of Sark	1.50	1.40 1.80	83 Comm	1.40	1.25 1.60	83 Europa	.50	.45 .70
84 Europa	.55	.50 .90	83 Paul	.30	.28 .60	83 10th Anniv	.45	.38 .60
84 Comm Day	.65	.60 1.00	83 Paintings	1.00	.90 1.20	83 Christmas	.40	.30 .60
84 Doyle	1.50	1.35 1.95	84 Wildlife	1.70	1.55 2.00	84 F/lands m/s	1.40	.90 1.40
84 Christmas	.85	.80 1.30	84 Europa	.60	.55 .95	84 Kieran	1.50	1.35 1.80
85 Fish	1.50	1.35 1.95	84 Comm m/s	1.40	1.10 1.40	84 Aviation	1.60	1.40 1.80
85 Peace	.35	.30 .70	84 Lifeboat	1.20	1.05 1.60	84 Europa	.45	.39 .80
85 Guides	.50	.44 .85	84 Aviation	1.10	.95 1.50	84 Comm Day	.70	.60 1.00
85 Youth	.60	.50 .90	84 Australia	1.70	1.50 2.00	84 Pioneers	1.70	1.50 2.00
85 Europa	.50	.42 .80	84 Christmas	.30	.25 .60	84 Christmas	.35	.30 .70
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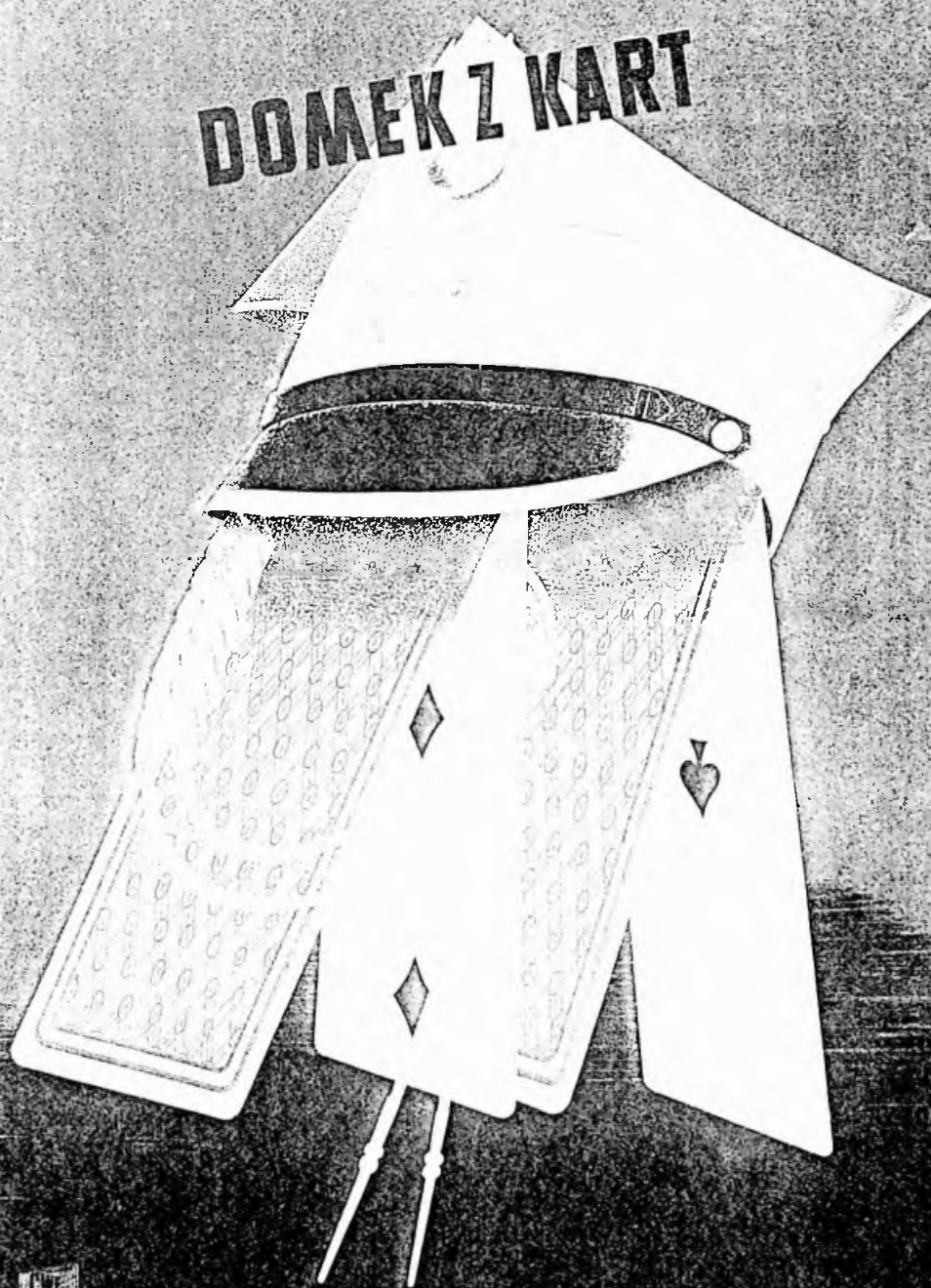
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ON FEBRUARY 1ST, 1952, Sir Miles Clifford, the Governor of the Falkland Islands, sent a telegram to the Colonial Office in London reporting the occurrence of a serious Anglo-Argentine incident – he suggested that ‘this presumably constitutes an act of war’ – at Hope Bay in Antarctica, wherein the two governments were in competition for the same piece of territory. Significantly, the clash came at a time when rumours were circulating in Buenos Aires and London to the effect that President Peron of Argentina might undertake some move against either the Falklands or the Falkland Islands Dependencies (FID) as a distraction from domestic difficulties.

That morning a party of British scientists from the Falkland Islands Dependencies Survey (FIDS) – the organisation performing British research in Antarctica – left the ship, *John Biscoe*, to land the materials required for rebuilding the base at Hope Bay, where the previous station had been destroyed by fire in 1948. The Argentine government, pursuing a forward policy towards both the Falkland Islands and Antarctica, had taken advantage of the subsequent British withdrawal to establish their own base at Hope Bay only a few hundred metres away from the deserted British station, and, inevitably, on January 30th, 1952, the arrival of the *John Biscoe* elicited an immediate protest designed to record and maintain the Argentine position in the region. Thus, the ship was boarded by an officer, who delivered a letter of protest regarding the ship's presence in Argentine territory without permission.

Nevertheless, on February 1st the FIDS group, led by George Marsh (the prospective base leader) and Frank Elliott and justifying its action in terms of Britain's long-standing rights to Antarctic sovereignty, proceeded with its plans to land personnel and stores. However, on shore the party received yet another Argentine protest along with a verbal warning from the Argentine base leader: ‘I am instructed by my Commander to prevent you building a base here using force, if necessary’.

Soon afterwards, that is, just after noon, a dozen bursts of machine-gun fire passed over the heads of the British scientists, who were then surrounded by armed, white-clothed Argentinians and ordered back into their launch by an officer brandishing ‘a cocked pistol’. Any appeal, such as the visit made by Marsh and Elliott to the Argentine station, proved abor-

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*The Argentinian writer  
Borges described the  
combatants in the  
Falklands War as being  
like ‘two bald men  
fighting over a comb.’ But  
thirty years before,  
Britain and Argentine  
nearly came to blows over  
territory far more remote  
and inhospitable.*

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Peter J. Beck

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# A COLD WAR

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*HMS Burghead Bay*. By presenting London with a *fait accompli*, Clifford aimed to forestall his instructions from there, as he expected the government to favour a relatively low-key response, designed to maintain British rights but to play down the confrontation aspect.

Anthony Eden, the foreign minister, was kept fully apprised of developments but the British government, while adjudging it ‘essential to re-establish our party at Hope Bay’ and to stress the validity of British title to the FID in international law in contrast to the ‘unfounded’ Argentine claim, proved reluctant to employ force in either the Hope Bay or any other Antarctic question, as highlighted by the unarmed character of the FIDS. In the light of the available information, the episode was dismissed in London as merely ‘a local incident’ rather than a pre-meditated act; thus, the preference was to rely

tive, and the unarmed FIDS party returned reluctantly to the *John Biscoe*, whose master received a further Argentine protest as well as a warning to the effect that an armed guard would be placed on shore to prevent any future landing.

Clifford, noted for his hawkish support of British imperial interests and interpreting the incident as part of a concerted Argentine challenge to Britain's role in the South Atlantic and Antarctica, feared that inaction and ‘weakness might encourage further incidents’, thereby undermining ‘our whole position’ in the region. He instructed the *John Biscoe* to stay on station and, taking advantage of *HMS Burghead Bay*'s presence in the Falklands, used the frigate to reassert personally Britain's rights in Antarctica. Subsequently Sir Vivian Fuchs commented: ‘without waiting for their (ie. Colonial Office) reply – perhaps even guessing what it might be – he at once sailed for Hope Bay in

upon traditional diplomatic procedures, that is, to exchange yet more notes between Buenos Aires and London to protest, explain and record their respective positions. In the event, the Argentine government indicated a preparedness to accept this containment approach, and on February 2nd Remorino, the foreign minister – significantly, he had just seen Peron – reassured the British embassy in Buenos Aires that his government was ‘anxious to smooth the matter over as completely as possible’.

In the meantime, *HMS Burghead Bay* and Clifford arrived at Hope Bay, where marines disembarked; the Argentine personnel retreated into the hinterland; and the FIDS party now landed and rebuilt the base under naval protection. Clifford's revival of a small scale twentieth-century version of Palmerstonian gunboat diplomacy ensured a relatively speedy and decisive outcome at



# Britain, Argentina and Antarctica

the local level, even if the key moves occurred in and between Buenos Aires and London, as evidenced by the British protest note of February 14th, and the Argentine response of February 27th. The Argentine note's usual emphasis upon both 'the unquestioned right' of the Argentine Republic to sovereignty over the Falkland Islands, South Georgia and the Antarctic sector between 25°W-74°W south of 60°S and the fact that Hope Bay constituted 'an integral part of the Argentine nation' was paralleled by a conciliatory approach, as shown by its anxiety to excuse the incident on the grounds of the 'excessive zeal' of the local commander.

In this manner, the Hope Bay affair was resolved and contained, a situation facilitated by not only the restraint displayed by both governments but also the relative lack of media coverage of the episode, partly because of press censorship in Argentina and partly because of the British

(Above) Off-loading stores from the 'John Biscoe', 1949.

media's preoccupation after February 6th with the death of King George VI.

Writing in 1982, Vivian Fuchs described the Hope Bay clash as hitherto 'the most serious field incident between Britain and Argentina regarding Antarctic claims', since it still represents the only occasion when shots were fired by one country against personnel from another power. After 1952 the Anglo-Argentine dispute continued, indeed it continues still today, and in this context the Hope Bay clash served to highlight their territorial rivalry as well as the dangers implicit in the presence of well-armed and – to quote one British diplomat – 'trigger-happy South Americans' in Antarctica. At the time, some consideration was given to the possibility of arming British scientists in the FID, but this was rejected because of the argument that it would contradict the civilian

character of the FIDS; for example, it was suggested that 'weapons do not go well with either scientific exploration or civil administration'. There was the added danger of initiating 'a miniature Antarctic armaments race', thereby encouraging further Hope Bay-type incidents.

In fact, the unstable Anglo-Argentine (and Chilean) relationship regarding Antarctica, in conjunction with an appreciation of the implications of growing Soviet and American involvement therein, provided the impetus for the negotiation of the Antarctic Treaty, which was concluded in December 1959 and came into effect in June 1961. Both Argentina and Britain were among the initial twelve signatories of an arrangement designed not only to keep the treaty area free of military and nuclear activities but also to suspend, rather than to resolve, the sovereignty problem. In effect, the Antarctic Treaty proved the first post-1945 interna-



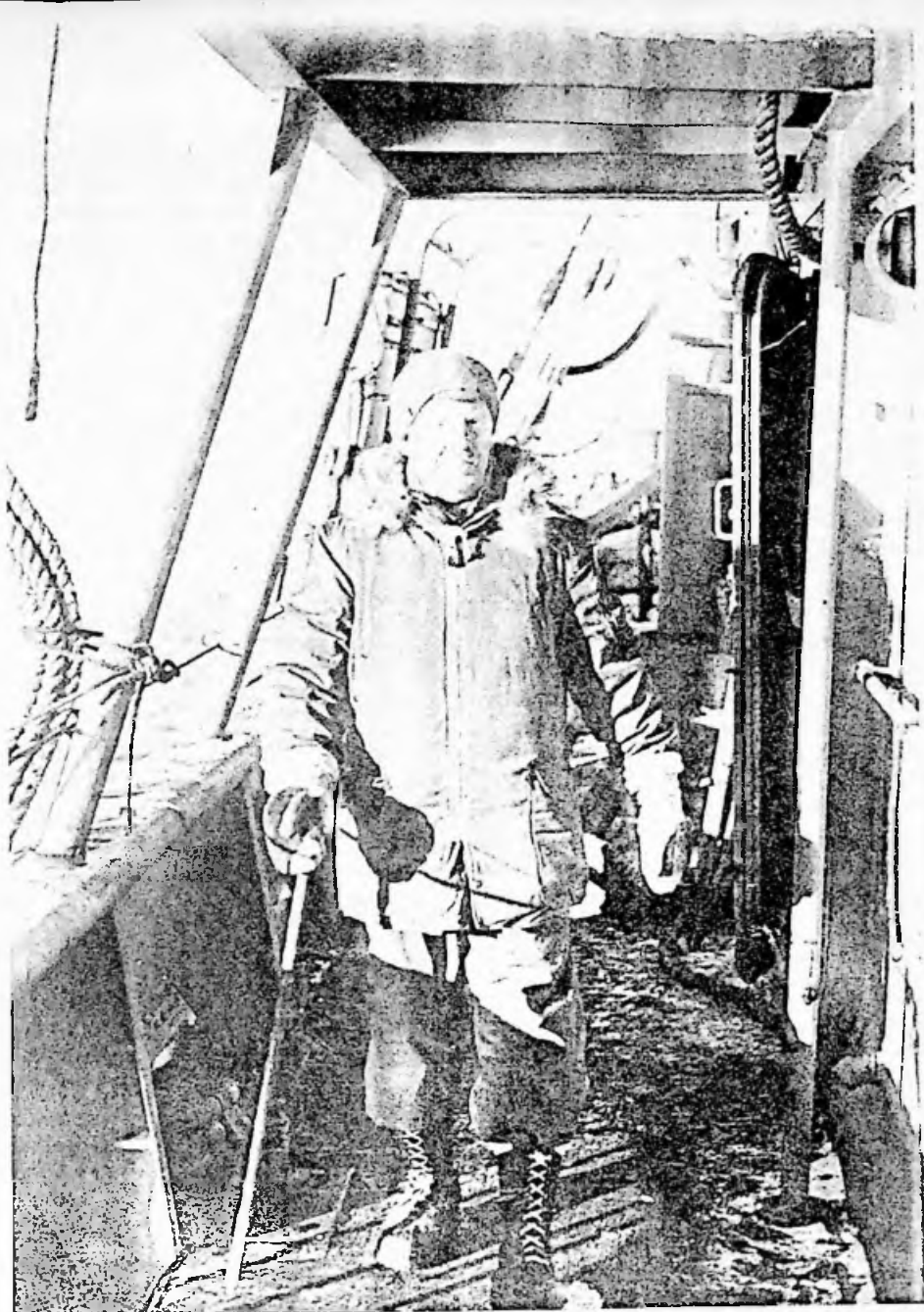
tional agreement for the complete demilitarisation and denuclearisation of a continent, a contribution enhanced by its inclusion of such groups of powers as Argentina and Britain or the Soviet Union and the USA. In turn, Antarctica's 'peaceful' character has enabled the development of international scientific co-operation, and thus the transformation of the region into what Sir Vivian Fuchs describes as 'a continent for science'.

The British base at Hope Bay, the site of the 1952 incident, had been established for the first time on February 10th, 1945, as part of a wartime expedition entitled Operation Tabarin, directed by the Admiralty and designed primarily to reassert Britain's Antarctic rights in the context of increasing Argentine encroachments within the FID. The original intention had been to initiate the Hope Bay base a year earlier, that is, during Tabarin's first season of 1943-44, but this had been foiled by ice conditions. It is of interest to note that the often ignored Antarctic region was deemed of sufficient importance to warrant a major policy initiative and the employment of scarce naval resources at the height of the Second World War; thus, 'war-time developments have called general attention to the importance of lands in far southern latitudes'.

At the time of the outbreak of the Second World War in 1939 the British government had become accustomed to over 100 years of dispute with Argentina over the Falklands Islands, or rather the *Islas Malvinas* as they were known in Argentina. Indeed, the inter-war period had been characterised by the escalation of Argentine pressure to secure the islands, and the resulting challenge to Britain's position in the South West Atlantic was accentuated by the recent extension of the controversy to the FID, which had been placed under British control in 1908 and 1917 and were viewed in London until the mid-1930s as the foundation for the policy objective, adopted in 1920 and ratified by the Imperial Conference in 1926, that:

The whole of the Antarctic should ultimately be included within the British Empire... a definite and consistent policy should be followed of extending and asserting British control with the object of ultimately making it complete.

This policy, intended 'to paint the whole Antarctic red' and to add a further 5.5 million square miles to the red-coloured territory on world maps, served to explain the assumption of British control over two further sectors of the continent, albeit



*Dressing for the part: Sir Miles Clifford, Governor of the Falkland Islands and Dependencies at the time of the Hope Bay incident*

through the agency of the dominions of New Zealand and Australia in 1923 (the Ross Dependency) and 1933 (Australian Antarctic Territory) respectively. Thus, by 1933 the British Empire claimed some two thirds of Antarctica, although an appreciation of international realities, most notably of the perceived Antarctic interests and ambitions of other governments like France, Norway and the United States of America, resulted in the abandonment of the policy to acquire the rest of the continent.

Nevertheless, the British government was determined to retain its existing possessions in the Falklands and the FID, especially in the face of Argentina's emerging interest in South Georgia and the South Orkneys and of the claim articulated in the early 1940s that all Antarctic lands and dependencies south of 60°S and between 25°W-68°34'W – subsequently these limits were amended to

25°W-74°W – belonged of right to Argentina. In 1940 the publication of a Chilean claim to the sector between 53°W-90°W south to the Pole (no northern limit was announced) merely complicated the situation because of the extensive overlap of Argentine, British and Chilean claims.

As a result, the British government began to view Argentine territorial ambitions in Antarctica with growing anxiety, particularly as information continued to reach London regarding a series of practical measures tending to give substance to the rival claim. For example, in November 1941 the Argentine government announced the opening of a post office in the South Orkneys, already the site of an Argentine meteorological station, and then during February-May 1942 the *Primero de Mayo*, a naval transport ship, called at Deception Island in the South Shetlands and at Signy Island



ate measures to counter Argentine moves. For the Foreign Office, the *Primero de Mayo's* voyage and related activities 'indicate that Argentina intends to assert title to the whole of the Falkland Islands Dependencies, and that she is now pursuing an increasingly active policy to re-enforce this title'.

Positive action was favoured to protect British interests, particularly in the context of the Admiralty's stress upon the strategic value of the Southern Ocean in general and of Drake Passage in particular. The force of the Admiralty's argument was streng-

(Left) James Marr, leader of the 1943-45 Operation Tabarin, designed to expand British bases in Antarctica and underline claims to the territories. (Below) One of the 'post offices' established at Port Lockroy in pursuit of this



in the South Orkneys for the performance of various acts of sovereignty, including hoisting the flag, the formal taking of possession and the obliteration of any British marks of title. In May 1942 the installation of a navigation beacon in the Melchior Archipelago, that is, south west of the South Shetlands, appeared to foreshadow future Argentine moves towards British territory in Graham Land on mainland Antarctica.

Against this background the question was raised in Whitehall as to whether the FID were of sufficient worth to justify continued, almost automatic, resistance to Argentine claims, especially since the possession was regarded still as of uncertain importance as compared to the vital significance attached to the Falkland Islands at this time. In the event, the inter-departmental exchanges conducted during 1942 demonstrated that the FID possessed a perceived utility which justified both their retention and the implementation of appropri-

thened by recent events, including the Battle of the River Plate (December 1939), the wartime activities of German naval raiders against Norwegian and other whaling vessels, and the resulting visit in March 1941 by *HMS Queen of Bermuda* to Deception Island to destroy the whaling station and fuel dump before they could be used by German ships. In this manner, the South Atlantic region, albeit somewhat remote from the main theatres of conflict, was not isolated entirely from the Second World War.

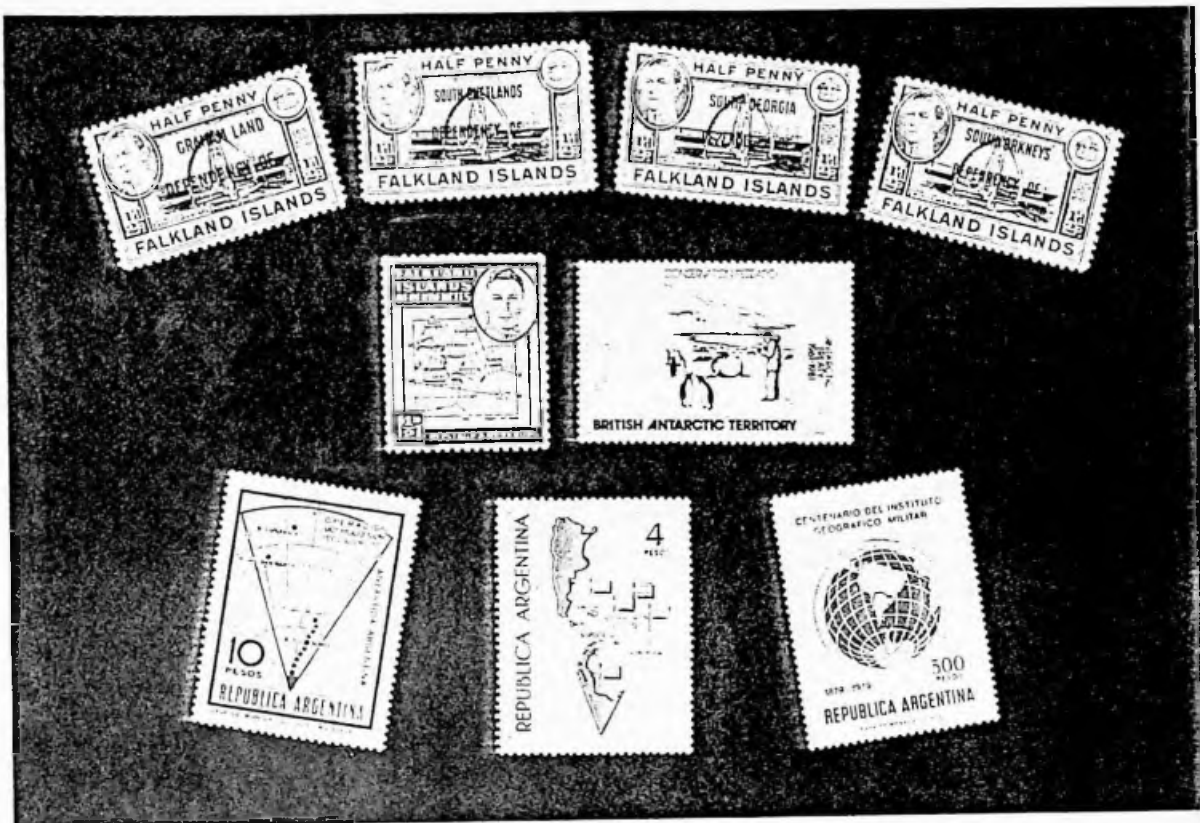
The case for action was pressed also by the Colonial Office, which identified a mixture of imperial and resource considerations centred upon whaling, which had proved a major policy factor affecting Britain's attitude towards Antarctica since the 1900s. For instance, the demand for whale oil – this was valued primarily for the manufacture of soap, margarine and explosives (ie. through the production of glycerine as a by-product of soap-making) –

served as the key rationale for the assumption of British control over the FID in 1908 and 1917 as well as for the adoption of the policy of Antarctic imperialism during 1919-20. In turn, the Colonial Office, aware of the rising pace of inter-departmental discussions in 1942 about post-war whaling, emphasised the subject's resource, research and conservation aspects, while pointing also to the FID's potential value for minerals, meteorological records and polar air routes.

Although Argentina constituted the main influence upon British thinking, one should not ignore the way in which the British government had noted with some apprehension the announcement of a Chilean claim to part of the FID in 1940 and the activities of the United States Antarctic Service (USAS) expedition of 1939-41 led by Admiral Richard Byrd. The USAS establishment of a base at Marguerite Bay in the FID without British permission served not only to irritate London and to typify the USA's refusal to recognise Antarctic claims – this remains current US policy – but also to prompt a redefinition of the 'effective occupation' principle in polar regions. Hitherto, this concept, as stipulated for the acquisition of territory by the 1885 Treaty of Berlin, had been applied in only a diluted form to Antarctica, such as to require merely acts of administration (eg. issue of whaling licences, the appointment of magistrates) or occasional visits by expeditions, because of the impossibility of permanent settlement. However, in 1939 President Roosevelt's references to the USAS 'semi-permanent' nature, in conjunction with its operations in the FID, combined to foster British doubts about the political and legal strength of its position.

In this manner, the early years of the Second World War were characterised by a multi-directional challenge to Britain's long-standing position in the Antarctic and at a time when it was preoccupied with the global struggle against Germany, Italy and Japan. Significantly, Antarctica was adjudged to be sufficiently important for Britain to bring before the War Cabinet itself as a region worthy of a major policy initiative for a range of political, strategic, economic and other reasons, a reference reinforced in January 1943 by reports that the *Primero de Mayo* was scheduled to undertake another Antarctic voyage. On January 28th, 1943, the War Cabinet, chaired by Clement Attlee, the deputy prime minister, decided

A postal cold war: Falkland Islands stamps overprinted for each dependency soon after Operation Tabarin; 13p Falkland Islands Dependencies stamp of February 1946 showing a map of the dependencies; 13p British Antarctic Territory stamp issued in 1981 to mark the 20th anniversary of the Antarctic Treaty. Argentina has persistently illustrated its claims in the South Atlantic on stamps — notably in these 1964, 1966 and 1979 issues claiming sovereignty over the Falklands (Malvinas) and Antarctica and showing the base at Esperanza.

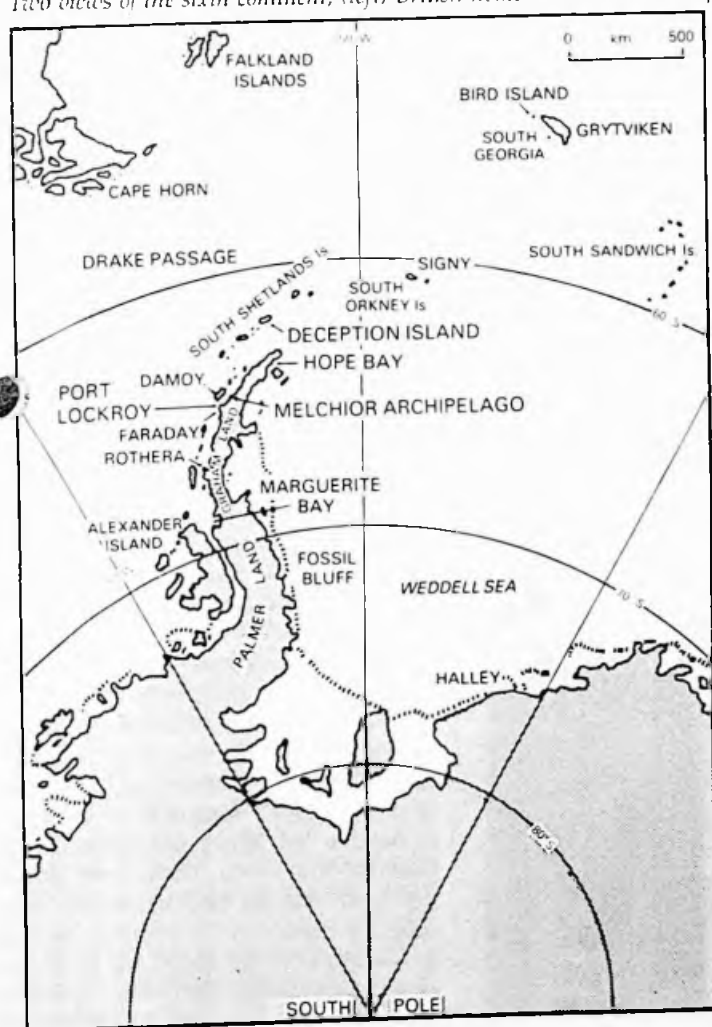


that 'all possible steps should be taken to strengthen our title to the Antarctic dependencies of the Falkland Islands,

against which the Argentines were encroaching'. Although the exchange of notes offered one approach, action

on the spot was deemed essential to consolidate British title against both previous and 'imminent' Argentine

Two views of the sixth continent; (left) British nomenclature on the map and (right) the Argentinian equivalent.





infringements of British sovereignty.

The cruiser *HMS Carnarvon Castle* was ordered immediately to the South Shetlands and the South Orkneys – these had been visited in 1942 by the *Primero de Mayo* – in order to remove marks of Argentine sovereignty, including the Argentine flag and a metal cylinder deposited in a cairn to record the visit and the extent of the Argentine claim, and to replace them with British marks, such as the Union Jack and a board inscribed 'British Crown Lands'. However, a few weeks later, the *Primero de Mayo's* second expedition effectively restored the *status quo ante*, thereby highlighting the practical form assumed by Anglo-Argentine rivalry in Antarctica.

In some respects, the activities possessed a childish character, as evidenced by the frequent exchange of paper protests and the obliteration and repainting of symbols, but they were underlain by important policy interests. Thus, the British government adopted a strong stance: 'It is being made clear that we have no intention of allowing our title . . . to go by default or to be challenged by any other Power'. The Cabinet discussions, in conjunction with the continuing inter-departmental evaluation of the problem, contributed in May 1943 to the decision that parties of occupation should be sent to the FID for politico-legal reasons, thereby providing the foundation for Operation Tabarin, a secret wartime expedition conducted under Admiralty direction and named after the *Bal Tabarin* nightclub in Paris, allegedly because of the nocturnal and chaotic nature of the preparations for its departure.

Operation Tabarin's first season of 1933-44 was led by Lieutenant Commander James Marr – he had first visited Antarctica as the boy scout selected to accompany what proved Ernest Shackleton's final expedition of 1921-22 – and the expedition was instructed to initiate 'a more or less continuous occupation' of certain bases in the FID. The fourteen-man expedition left England in December 1943 and, after calls at Montevideo and the Falkland Islands, reached Antarctica, where bases were established at Deception Island and at Port Lockroy in February 1944. Ice conditions foiled the plans for a base at Hope Bay, which could not be built until February 1945 during Tabarin's second season. The relative permanence of the bases for the purpose of proving 'effective occupation' was evidenced by not only the base huts

but also the provision of wireless telegraph stations and of post offices, the appointment of magistrates, and the issue of specially overprinted Falkland Islands stamps for each of the FID; thus, the purpose of the stamps was political and legal rather than either postal or philatelic.

The preparation, despatch and initial activities of Operation Tabarin were cloaked in great secrecy, which was qualified only partially in April 1944 by a vague and brief press statement referring merely to the beginning of an occupation 'for some considerable time' of 'some of the most remote of British possessions in the Falkland Islands Dependencies'. Neither base names nor locations were revealed. Similarly, the interchange of wireless signals between bases or between a base and the Falklands was restricted to the minimum necessary 'in order to reduce the possibility of the movements of the Expedition becoming known to the Argentines'. In any case, wireless messages were converted into a five figure cypher using one-time pads, and it was not until April 1945 that certain categories of message could be transmitted *en clair*. To some extent, this initial secrecy has sur-

vived, as shown by the extended closure of some of the relevant documents in excess of the normal thirty year rule as well as by the actual deletion of references in Cabinet minutes and indexes. More recently, my study on Operation Tabarin, commissioned in 1983 for a journal published by the British Antarctic Survey, was 'not cleared' by the Foreign and Commonwealth Office because of the continuing sensitivity of the issue as a continuing sovereignty dispute.

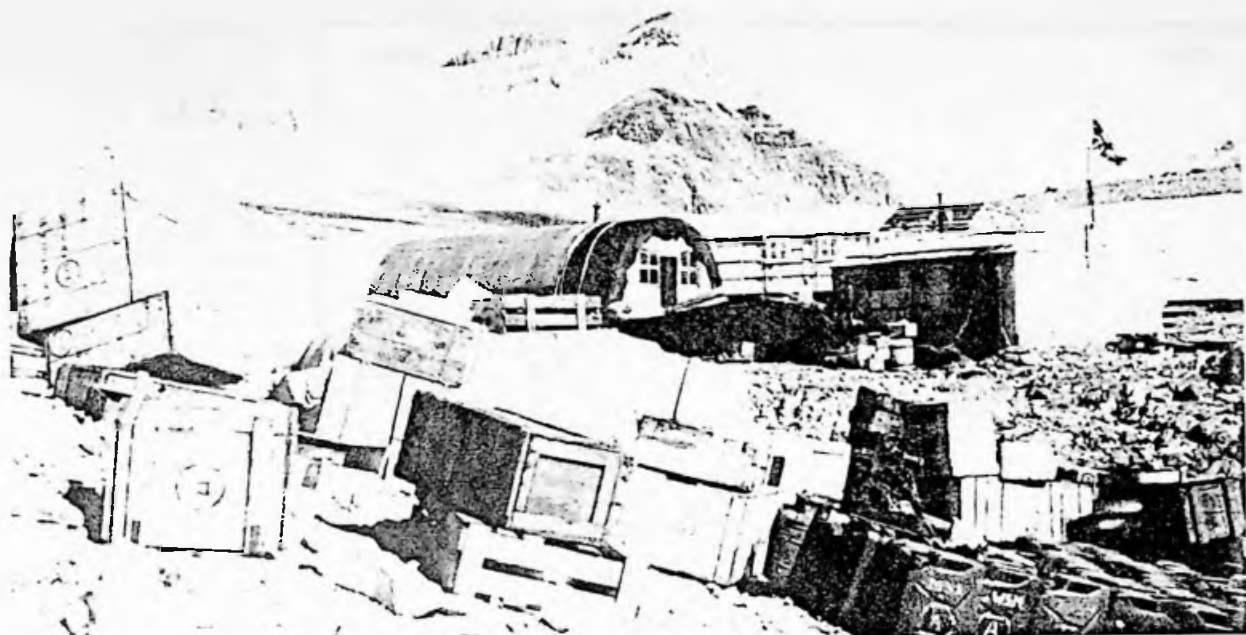
Supposedly, Operation Tabarin was resuming scientific research interrupted by the Second World War, although in reality the politico-legal motive proved paramount in the sense of maintaining British sovereignty through the establishment of the permanent bases required to meet the higher standard of 'effective occupation' rendered necessary by recent developments in international law. Subsequently, this politico-legal emphasis affected the FIDS, the civilian organisation into which Operation Tabarin was transformed at the close of the war, as demonstrated by the instructions issued by the British government in January 1947:

The primary object of the Survey is to

*Party from HMS 'Carnarvon' hoisting the flag at Deception Island, January 1943 — activities included obliterating all traces of Argentine occupation and formalising the area as British.*



Stores scattered around the British base at Hope Bay, 1945. (Below) The Argentinian station established under the title 'Base Esperanza'. Mount Flora is in the background.



strengthen His Majesty's title to the sector of the Antarctic known as the Falkland Islands Dependencies by maintaining British occupation parties there. There are strategic reasons for this occupation... The secondary objective of the Survey is to continue scientific work in the Antarctic.

In practice, the FIDS, like Tabarin, placed scientists in a position to perform meteorological, geological, cartographical and other forms of research, and this uneasy alliance of politics, law and science has been continued by the British Antarctic Survey, which succeeded the FIDS in the early 1960s.

The Antarctic Treaty has been in force for over a quarter of a century, and, by demilitarising the continent and shelving the sovereignty question, has helped to defuse the Anglo-Argentine dispute regarding

their rival and overlapping claims to Antarctica. The British government has attempted to treat the Falklands and Antarctic questions as historically and legally separate, but in Argentina they are interpreted as part of one claim, embracing the Falklands, South Georgia, the South Sandwich Islands and Antarctica, based upon historical, legal and geopolitical considerations. As a result, the Argentine invasion of the Falklands in April 1982 fostered fears that the war might spread to nearby Antarctica, especially as early successes prompted General Galtieri, the Argentine president, to state that the capture of the Falklands was 'merely the beginning of the reaffirmation of Argentina's right to assert territories'. But these fears proved groundless, and in the event the 1982 conflict emphasised the protective qualities of the Antarctic

Treaty, including its apparent ability to prevent any further Hope Bay-type incidents, even when Argentina and Britain were at war over an adjacent territory.

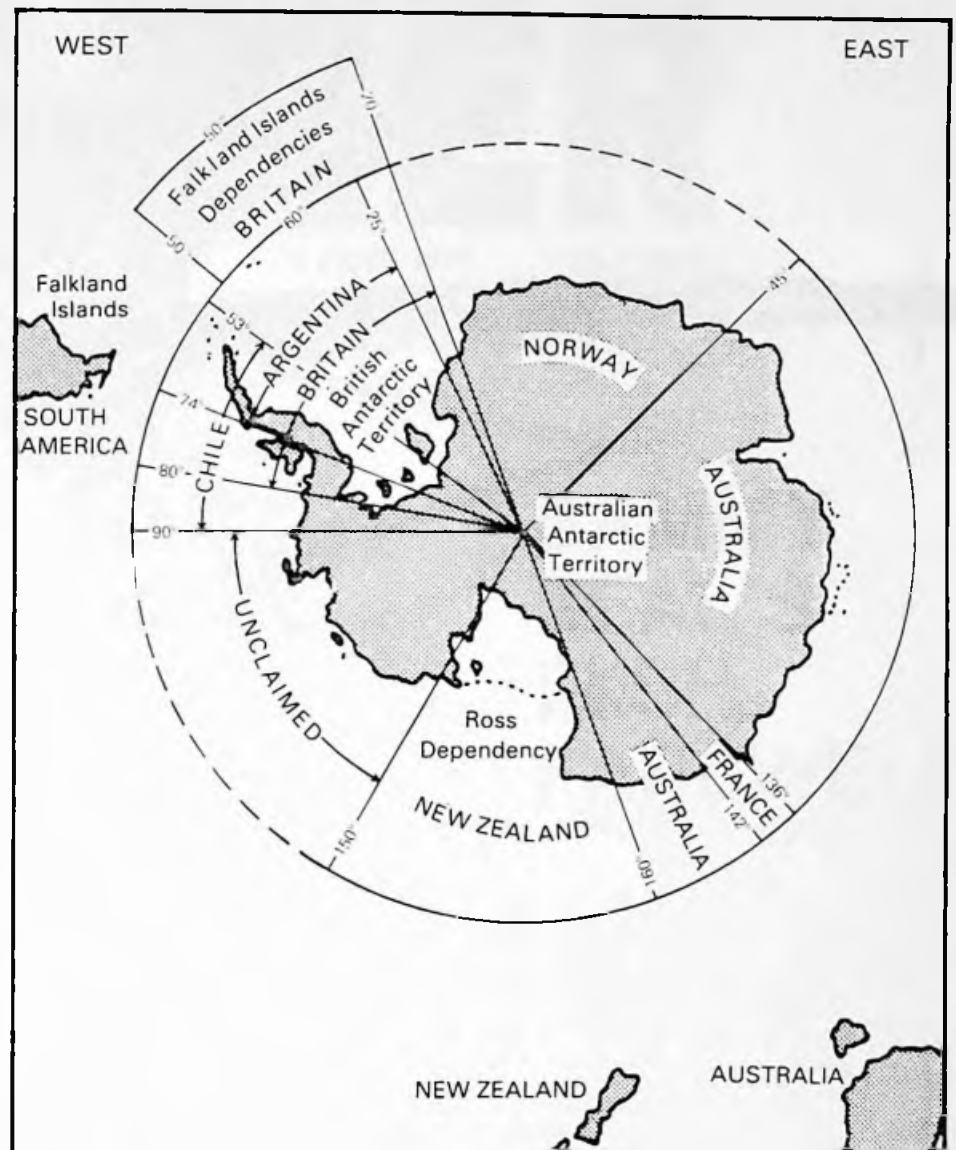
Lord Shackleton, son of Ernest Shackleton, has often referred to Britain's Antarctic 'traditions' during his efforts to urge the maintenance and enhancement of British interests in the region. Certainly, the historical perspective demonstrates the continuing and long-standing nature of Britain's involvement in the Antarctic, a link which goes back beyond Captain Robert Scott and Ernest Shackleton to Captain Cook in the 1770s. Britain's leading role was reinforced by Operation Tabarin and the FIDS, while today the British Antarctic Survey provides Britain's political, legal and scientific presence in the region and indicates, like its predecessors, the manner in which Britain's Antarctic role has proved in part a function of the need to respond to the challenge of Argentina. Both countries remain active in Antarctica, but only Argentina still maintains a station – this is entitled *Esperanza* base – at Hope Bay. At present the British Antarctic Survey maintains five permanent stations – Bird Island (South Georgia), Faraday, Halley, Rothera and Signy – and has not possessed a base at Hope Bay since 1964.

During the past twenty-five years or so the Antarctic Treaty has helped to contain the conflict potential of the Antarctic ownership problem, even if sovereignty-related difficulties have never quite disappeared from the scene. In fact, Argentina, like Chile, has continued to treat the continent as

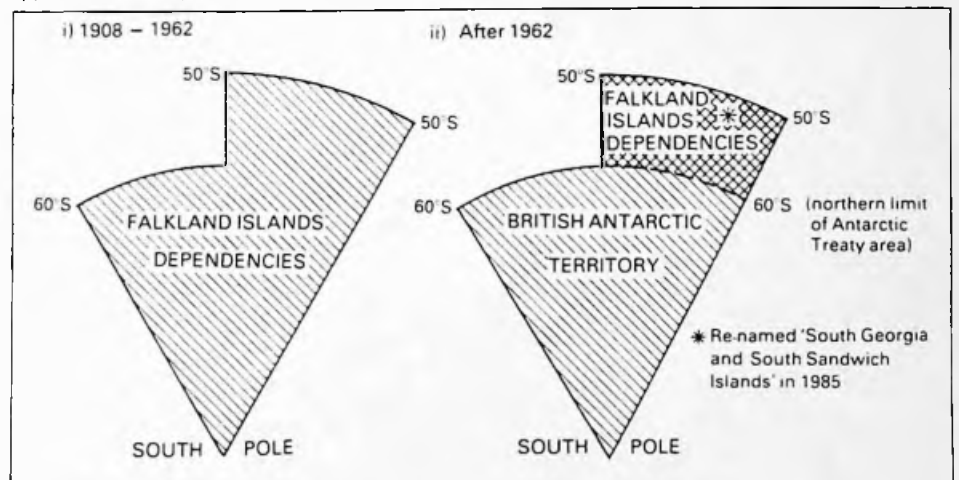
a matter of fundamental importance, thereby prompting the adoption of a hawkish, even flamboyant manner in order to remind domestic and international audiences about the existence and nature of *Antártida Argentina*. As a result, significance has been attached to the performance of public and symbolic acts, including the erection of name plates and presidential visits; indeed, in 1973 President Lastiri held a cabinet meeting at Marambio base, which was declared the temporary capital of Argentina. Recently, the Argentine station at Hope Bay, Esperanza base, has proved the location for the establishment of family groups, a school and a bank as well as for the conduct of weddings and the birth of babies, who are – to quote from a 1981 article in the journal *Argentina* (entitled significantly *Tres generaciones argentinas en la Antártida*) ‘all citizens of Argentina and the Antarctic’. The first of these Argentine Antarctic ‘citizens’, Emilio de Palma, was born in January 1978.

British governments, when confronted by parliamentary concern about such activities, have stressed always the ‘protective’ qualities of the Antarctic Treaty, and especially of article IV, but some anxieties remain, as evidenced by the 1982 *Shackleton Report*, which ranged beyond the Falklands to express ‘the need for awareness of possible threats to the (British) Antarctic sector from Argentina’. It is common knowledge that the 1982 War was followed by a large British commitment to the Falkland Islands, such as in the form of the garrison, the new airfield at Mount Pleasant and the expenditure to date of some £2,600 million. Less attention has been devoted to the post-1982 enhancement of British visibility and expenditure in Antarctica, a trend highlighted by a 60 per cent increase in the funding of the British Antarctic Survey, which provides Britain’s presence in the region and highlights the inter-relationship of politics and science.

Obviously, Antarctica offers scope for difficulties between Argentina and Britain, but for the time being the Antarctic Treaty provides the basis for a *modus vivendi*, which not only survived the 1982 War over the nearby Falkland Islands but also may last as long as the treaty endures, that is, forever, since there is no time limit in spite of the popular view that the year 1991 marks the treaty’s termination. Clearly the Antarctic dimension provides an interesting additional insight into the evolution of the Anglo-Argentine relationship with particular emphasis upon its potential instability



Dividing the spoils: territorial claims in Antarctica; the area to which the Antarctic Treaty applies is south of latitude 60°S. (Below) Britain's Antarctic Possessions before and after 1962.



as well as upon elements of co-operation and confrontation.

#### FOR FURTHER READING:

Peter J. Beck, *The International Politics of Antarctica* (Croom Helm, 1986); 'Britain and Antarctica: The Historical Perspective', *Fram: Journal of Polar Studies*, 1 (1984); 'The Legend of Captain Scott after 75 Years', *The Contemporary*

*Review* (January 1987); 'The Antarctic Treaty System after 25 Years', *The World Today* (November 1986); Sir Vivian Fuchs, *Of Ice and Men. The Story of the British Antarctic Survey 1943-73* (Anthony Nelson, 1982); E.W. Hunter Christie, *The Antarctic Problem* (Allen and Unwin, 1951); Jack Child, *Geopolitics and Conflict in South America. Conflict Among Neighbours* (Praeger, 1985). The postal aspects of the Anglo-Argentine dispute were covered in my *History Today* article in February 1983.



# SOLDIER

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## SAMMY SEAL'S IRISH FAREWELL

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## ARMY'S CHEF OF THE YEAR

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**Many famous names owe their start in showbiz to CSE . . . Freddie Star, Olivia Newton-John, Julia MacKenzie, Jim Davidson, Iris Williams, Jasper Carrott, Mike Harding and Stephanie Lawrence to name a few. In particular, Jim Davidson has toured to every station currently served by CSE, and has made at least six trips to Northern Ireland.**

AFTER 26 years of organising and staging shows for Servicemen, Derek Agutter has a fair idea of the sort of "live" entertainment soldiers like

"The old mix of a good comic, an attractive girl singer who can put over a song with style, a speciality act and top class musicians is a formula that can't be beaten," he says.

"Soldiers like good middle-of-the-road acts which really are the strength of showbiz. They won't take rubbish."

But there have been times in his 26 years as head of Combined Services Entertainment (CSE), when he has had to cancel the show because so few turned up to watch his offerings.

"Like the time darts champ Jocky Wilson was playing in a Belfast pub and I had a show fixed with 12 artists at Holywood Barracks . . . only five people were in the audience, the rest of the battalion were watching Jocky. I had to cancel, of course."

While such events have been rare in his experience, he has staged hundreds of shows in some odd places, often working without a stage and lights, and some of the best-known stars of British entertainment have been happy to go along.

Les Dawson, an ex-soldier, is one of the few top-liners not to have come on a CSE show in my time. I would love to have booked him. He would have gone down well with the lads."

Comics, singers, dancers, magicians, jugglers, musicians and even wrestlers have been parcelled into entertainment packages at his office in Chalfont Grove, Bucks — formerly in the old BFBS building in Westminster — and sent with a stage-manager and presenter to the tiniest desert outpost or the largest of garrisons in such places as Berlin, Belize and the Falklands.

"We have sent shows to every country where British Servicemen are based today and almost every country where they have been since 1946, when CSE took over from the wartime ENSA."

"I can think of only one country I haven't visited since joining CSE in 1960 and that's Norway. Anywhere else . . . you name it. I've been there with a show."

And, of course, CSE are continuing to do this under the leadership of Gordon Clarke, for many years Derek's assistant, who took over when he retired with a mammoth party for



*Derek Agutter talks to*

*John Margerets.*

colleagues and showbiz pals.

Now, at his south London home, Derek is still working for CSE by sifting their records and "throwing out the rubbish and compiling a proper catalogue of information and history."

Recalling the early days of



**JENNY:** international star

CSE he said records show the first visit by entertainers to Gibraltar under the new banner was in 1946 and starred Kay Cavendish.

Eight years later Reg Varney of *On the Buses* TV fame, was the leading light in a show sent

to Korea. Soon after, Terry Thomas led a troupe to Kenya and Aden.

In those days, as a young officer in 4RTR and based in Venice, where he had a "whale of a time," he saw his first CSE show starring Sandy "Can You Hear Me, Mother?" Powell.

"Later I saw him dancing on a table in the guardroom giving an impromptu concert for those who missed his show."

Then followed time in Egypt until 1950 where Derek met and married his wife, Kit, who was in the WAAF.

"I was a temporary captain in 4RTR but switched to the APTC and had 22 instructors under my control."

This suited him admirably as he was a keen sportsman



# Showman Derek brings down the curtain



FRANKIE HOWERD, DEREK AGUTTER, GORDON CLARKE: stars' farewell

know much about troop shows. So far as we were concerned things looked grim and there was talk of closure.

"Then things improved with the Persian Gulf and Aden crises and the average CSE tour was lasting anything up to three weeks. They were golden days, tremendous fun with a host of famous names and the number of shows going out got a huge boost."

Reeling off a few figures, he said that since 1946 CSE has used more than 12,000 artistes and produced more than 1,300 shows.

Since 1969 Ulster alone has seen close on 400 shows and 3,000 artistes and the Falklands 45 shows and 400 artistes over the past four years.

"We had a few problems with the RAF when we wanted to fly some girls there in a 'Herc'... they were reluctant to do it because of the lack of facilities on board the aircraft, but we persuaded them in the end. Now we have eight shows a year going to the South Atlantic."

One memorable occasion at Kelly's Garden, near San Carlos, featured Harry Secombe.

"One particular day took in four performances, but Harry had a terrible cold and lost his voice and the girl trumpeter, a speciality act, split her lip.

"Both had to cry off and I recruited a piper from the Irish Rangers, who were then based there, and an officer who could play the guitar.

"But while they filled the bill admirably, the piper wouldn't leave the stage and kept on

playing despite frantic signals to get off. On top of all that it was raining cats and dogs.

"Having gone 8,000 miles to put on a show it was a blow to have Harry and the girl musician pull out, but looking back it was all good fun and a lot of laughs."

While he has mingled with the stars for 27 years and counts many of them among his friends, he reckons his biggest moment came with his one and only Royal Command.

**"Can you lay on a show for me to say farewell to my shipmates?"**

The message was from Prince Charles, then the skipper of HMS Bronington and about to leave the Royal Navy.

"The choice of artists was left to me, but the Prince specifically asked for people who had entertained troops in Northern Ireland to be included on the bill, and not just those who wanted to take part because it was a royal 'do'."

"Top of the bill was ex-Goon Harry Secombe with impressionist Johnny More, musician Linda Myers and The McCalmams, a folk group.

"It was a time to remember and to cap it all the Prince wrote me a delightful letter of thanks.

"Of course I'd do it all again. It's been a marvellous 26 years organising and shepherding scores of the best known names in the business and hundreds of lesser artists.

"Who was my favourite? Norman Collier, the chicken man. He's one of the funniest comics around. I'd take him along any time. He's a sure-fire laugh raiser."

Pictures by Paul Haley

participating in representative boxing and rugby and later becoming captain of the Army swimming and water polo team in Singapore.

Medals and "pots" of his athletic prowess proliferate in his home as do pictures of his internationally famous film star daughter, Jenny.

A switch to the RASC saw him in 1952 handling the military supply admin for the Coronation.

"I lived in a tent in Regents Park and was responsible for feeding the troops engaged on the Coronation and for dishing out the rum ration for those lining the royal route!"

More moves followed his royal admin duties with a spell in BAOR and then at Aldershot for an adjutant's course before

moving to Singapore and his first links with showbiz and CSE.

"I was responsible for putting the artists 'out on the ground' and ensuring their accommodation and travelling arrangements were all OK."

Until then that was the nearest he had ever been to a footlight. But starlight was about to strike the 34-year-old Agutter and a chance meeting, after being bowler-hatted from the Army, saw him accepting a job as head of CSE based in Cyprus.

"There were only 12 shows a year coming from London to the Near and Far East in 1961 because most stars in those days were busy with revues and theatre work in the winter and seaside shows in the summer.

"They didn't really want to

# Soldiers' floating home leaves Falklands

**BIBBY VENTURE**, or **Coastal 1** as she is better known to countless soldiers serving in the Falklands, is on her way home.

She is the first of the three coastals moored outside Stanley to be sent back to the UK following the move of the Falklands garrison to the new

headquarters at Mount Pleasant.

Purpose built as floating accommodation blocks for North Sea oil workers, two self-contained coastals were hired and one was bought after the Falklands war by the Ministry of Defence.

Sappers of 53 Field Squadron

(Construction) were instrumental in carrying out the necessary excavations around Bibby Venture to enable her to be nudged out of the Canache mooring by four muxe-flotes.

In deeper water she was floated on to her heavy-lift "mother" ship for the long journey into the North Atlantic.

## LAST OUT!

Story and pictures by Col Sgt Leo Callow

A SHORT but active chapter in the history of Port Stanley has drawn to a close with the departure of The Royal Irish Rangers from the capital of the Falkland Islands.

The regiment's 2nd Battalion was the last infantry unit to be stationed in Port Stanley and its departure leaves just a handful of men outside the main garrison at Mount Pleasant.

The Rangers made the most of their posting to the South Atlantic and "the best live firing facilities outside North America," according to Lt Col Willie Burke, CO.

The battalion ran a potential NCOs cadre in between the customary round of settlement patrols. It also mounted a reinforcement exercise of South Georgie.

The Rangers found an unusual chum in the form of Sammy the seal who became a daily visitor to their Coastal floating accommodation block outside Stanley.

Spending many hours sunning himself on an old wooden raft nearby, Sammy knew he was on to a good thing when the Rangers started feeding him his favourite titbits.

An impromptu folk group formed by four Ranger sergeants made quite an impression on many of the islands' clubs and bars where they staged several concerts with the battalion's bugles, pipes and drums.

As the Irishmen prepared to depart the islands, another well-known shamrock countryman arrived in the form of Canon Jerry Murphy who used to play rugby for Ireland and was capped no fewer than six times.

Now rector of Port Stanley cathedral, Canon Murphy was until recently Domestic Chap-



## Irish Rangers quit Port Stanley

lain to the Queen while rector of the parishes of Sandringham. A former platoon commander in the Ulster Rifles, he saw action in Palestine.

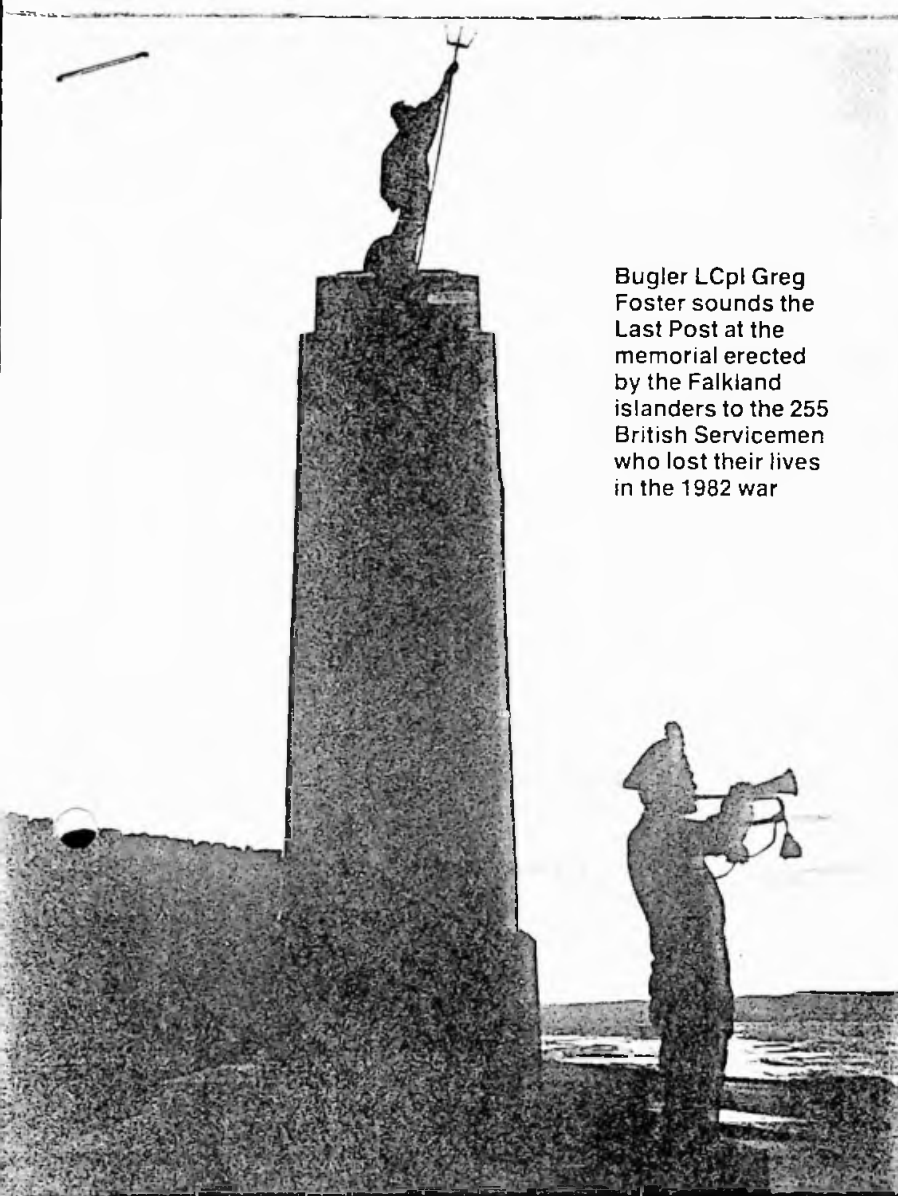


Above - Returning from a five day settlement patrol in the camp area outside Stanley, Sgt Ken Fox (left) and his platoon from A Coy pose for a picture around an Argentine Panhard armoured car at Mount Pleasant

### Meet the Lone Ranger!

Left - Lone Ranger on the open trail - Rgr Johnny Quigley, normally a driver, takes to the camp outside Port Howard settlement on four legs





Bugler LCpl Greg Foster sounds the Last Post at the memorial erected by the Falkland islanders to the 255 British Servicemen who lost their lives in the 1982 war

# Falklands scene: the sombre and the silly



## Treasure trove of history

John Smith's home in Port Stanley is a treasure trove of South Atlantic memorabilia. His assortment of curios spans more than a century of the islands' history. Now that the British Forces have moved from Port Stanley to Mount Pleasant, John – who wrote a book called *73 Days* recalling the islanders' own story of the 1982 conflict – is hoping to house and expand his collection in Britannia House, the former HQ.

Pictures by  
Col Sgt  
Leo  
Callow

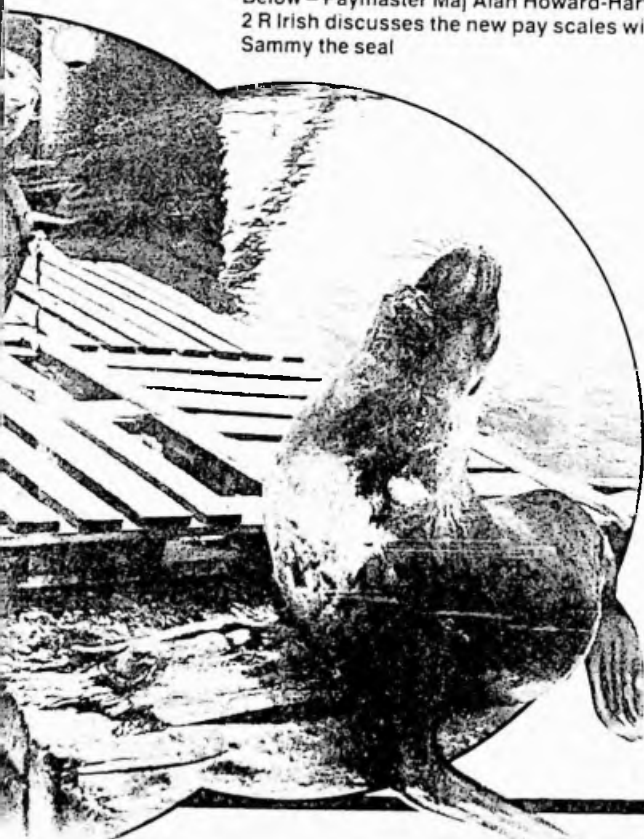


A poignant reminder of the 1982 hostilities. Whitewashed stones mark the spot where Col H Jones VC of 2 Para fell during the attack on Darwin. He was attacking a position up the hill to the right when he was shot

Left - RAF pranksters pulled a few legs with their "penguin crossing" at Mount Pleasant. Several drivers - including the photographer - obediently stopped at the sight of the cardboard penguins lining up to cross the road

Right - Canon Jerry Murphy, new rector of Port Stanley, and his wife Joy outside the capital's cathedral. His close links with the Army include active service with the Ulster Rifles and a more recent appointment as Assistant Chaplain General to the Armed Forces

Below - Paymaster Maj Alan Howard-Harwood 2 R Irish discusses the new pay scales with Sammy the seal





# SOLDIER



## WHAT A LOAD OF RUBBISH!

Debris from the Falklands war fills a quarry near Stanley airfield, the fruits of the Army's Operation Flogger to tidy up the islands. The Scale of the enormous tip - of which this is only part - is given by the Land Rover on the lip of the quarry. See if you can spot the remains of an aircraft.

Picture: Col. Sgt. Leo Callow

## Falklands wish to remain British

FROM: T. A. Ende, Finsbury Park, London.

SIR — When Mr David Adrian Foot says that the Falkland Islanders were consulted, this is quite true.

They were simply asked: "Would you like to stay under British rule or would you like to

change to Argentine rule?"

What possible answer could be expected to that except that "their wish is to remain where they are, in their British homes"?

They were not asked: "If we invoke the New Towns Act and build you new farms and towns, harbours and industries, would you like to come back to your homeland and settle in the now uninhabited but habitable islands in the British Archipelago?"

There are hundreds of such islands.

## Maggie's lovely war

WAR has a fascination for Mrs Thatcher which is unusual in women.

In Favourite Things on BBC-2 on Sunday she proudly exhibited a piece of porcelain depicting three Royal Marines landing at San Carlos Bay in the Falklands.

She rhapsodised over it, especially the expressions on the faces of the marines, declaring it to be a work of genius by a sculptor living in Orpington, which is hardly renowned as the

artistic centre of Southern England.

Then she produced a second piece, this time of a British soldier defending his colours during one of the battles of the Napoleonic wars. She was similarly moved by it.

Another Favourite Thing was a poem by Rupert Brooke. "He was killed, of course, in the First World War," she said as though death in battle gave added lustre to Brooke's poetry.

In fact, he was not killed. He was due to join GOC's staff in the Dardanelles but got sunstroke in Egypt, developed blood poisoning and died on a French hospital ship.

Why should Mrs Thatcher seek to glamorise Brooke by bestowing upon him a death he



**MRS THATCHER**  
*Glamorising death*

didn't suffer? In any case, there was nothing romantic about the First World War. It destroyed the youth of this country and France and both nations are still affected by it.

# Falkland Islanders fret over their flourishing fishing fleet

FOR the thinly-staffed Falkland Islands Development Corporation, the pace has hardly slackened since the British government's announcement last year of the fisheries protection zone.

That decision, it is now evident, transformed the Falklands from a bleak dependency, full of small projects which faced apparently insuperable obstacles to commercial viability, into a hive of joint ventures with possibilities which the FIDC's annual report, out today, only begins to broach.

The pace of change has been determined by the sheer volume of fishing revenue — £14m in this year's high season, double last year's entire island revenue — and by the potential economic and social transformation implied by the islands' new position at the heart of the vast natural resource which the fish stocks represent. It has already made the once-tranquil Barclay Sound, now used for transshipment of fishing catches, into the busiest port in the southern hemisphere, in terms of ship movements. "That means busier than Sydney harbour," said Simon Armstrong, general manager of the FIDC.

The fishing business is so large that the FIDC's fisheries arm, Stanley Fisheries, will produce its own report early next year. The immediate effects of the boom are a mass of new projects, from the dredging of Stanley harbour and the proposed purchase of the military floating-dock to convert into a harbour facility, to the possibility of a network of paved roads and improved housing and social services.

The longer-term effects have yet to be di-

By Isabel Hilton

gested, but are likely to be profound. At the heart of the problem is the shortage of labour in the Falklands, compounded by the shortage of housing for immigrants. To take full advantage of the development opportunities offered by fishing could imply doubling or tripling the population within the next few years, but the FIDC believes the islands should not move in that direction without a conscious decision to do so being taken by the native Falklanders.

One of the problems Mr Armstrong faces is that outside commercial pressures are forcing decisions — on next year's fishing licences and joint ventures, for instance — which could pre-

empt the islanders' decisions about development. To try to force them to come to grips with what is happening, the FIDC has commissioned three studies from a British consultancy on development options.

The most conservative one envisaged spending the revenues on social services and improving living standards while running the operations on *gastarbeiter* principles, with an offshore workforce. "That is, in fact what's happening now," Mr Armstrong said. Apart from the fishing fleet, the main construction projects have been undertaken by imported contract labour. If this pattern were to continue a social system could evolve similar to that of a small Gulf state, in which the citizens enjoy a high standard of living derived from natural resources, and the work is done by imported labour.

At the other end of the scale, going for all-out development could result in the islanders being outnumbered and outvoted within a few years by immigrants. "Perhaps we will end up teaching Korean in school," Mr Armstrong said.

The islanders could hold on to their decision-making power by introducing, for example, a 12-year residence requirement to vote, Mr Armstrong said. But measures would have to be considered now. Equally, if traditional activities like agriculture were to be protected from the lure of high wages in new industries, protective subsidies must be devised. "It will be up to the elected council to make the decisions in the end," Mr Armstrong said, "but we hope it will be done with the widest possible consultation."



## Falklands profit from fishing zone

By John Ezard

The Falklands are poised to become "one of the major fishing nations of the world" it was predicted yesterday.

The forecast follows an unexpected boom caused by the introduction of a fishery protection zone seven months ago.

The islands' governor, Mr Gordon Jewkes, said the declaration had changed the whole economic outlook of the islands. "Things look very bright."

He was in London to unveil his development corporation's annual report, which says the locally-financed zone has already yielded a £11 million profit in licence fees paid by

over 200 ships in a territory whose total internal budget in 1986 was only £7 million.

The corporation's general manager, Mr Simon Armstrong, said the area was established as one of the world's important fisheries.

"I believe we can become a major Anglo-Falkland fishing nation by investing some of the income. There seems to be no limit to the number of ways in which we can develop, or to how far," he said.

Less than five years ago, in a report after the 1982 conflict with Argentina, Lord Shackleton described the Falklands as neglected and lacking investment.

Now officials are drawing up tender documents for an urgent project to dredge a deep-water channel in Port Stanley harbour. The port could then be used lucratively as a fuel-bunkering, repair, watering and cold storage for fleets from Poland, Spain and Japan.

The islands are negotiating with the Ministry of Defence to expand fishing profits on a disused dock to act as a centre for the projects. Mr Armstrong said that fuel sales alone could be worth £20 million a year.

A £1 million British trawler, named after Lord Shackleton, will be joined by three smaller trawlers later this year as the nucleus of a local fishing fleet.

### School masters

THE government of the Falkland Islands is thinking long and hard about a large, leaking

and potentially dangerous building inherited from the British forces.

On the west side of Port Stanley, it was originally designed as a school hostel for children from isolated parts of the islands but doubts about the primitive "spray-on" concrete and bad planning led to the discovery of no less than 300 defects.

The place lay empty until the arrival of the Argentinians who placed machine gun emplacements on the roof and, as a final seal of confidence, housed several hundred wounded underneath.

Thereafter, the British placed equal faith in the shack, so much so that the commander,

British Forces, and his 100-strong staff made it their base and are only now, five years on, moving out. The children, incidentally, were moved into alternative accommodation long ago. It is a consoling thought that, with the world's greatest explosives experts on hand, demolition shouldn't be too much of a problem.

## **Falkland Islands 'about to become self-financing'**

BY ROBERT MAUTHNER

THE Falkland Islands are on the threshold of self-financing thanks to the 150-mile fisheries conservation and management zone established in October 1986, Mr Gordon Jewkes, the Governor said yesterday.

Presenting the annual report of the Falkland Islands Development Corporation, of which he is chairman, Mr Jewkes said that probably for the first time in their history the Falkland Islands had a source of income which should provide a sizeable surplus over expenditure.

Income from licences to fishing fleets had generated about £14m in the first half of this year, twice as much as the island's entire budget, excluding fishing, for 1987. In the second part of the season, an additional £2m was expected to come from this source.

During the first half of 1987, 200 fishing vessels of various nationalities were licensed to fish within the zone and another 90 licences were expected to be granted for the second half.

Mr Jewkes stressed that fears that the creation of the zone would lead to tension between

Britain and foreign governments had not materialised. Since the zone had been introduced, everything had been peaceful and orderly "both within and without." There had been no clashes between Falkland Islands fisheries protection vessels and Argentine naval patrols.

The overall effect of the steps which had been taken by Britain following the conflict with Argentina in 1982 had been to stem the economic and demographic decline of the Falkland Islands. The resident population had risen from about 1,800 in 1980 to 1,900 at present, of whom some 1,300 were "original Falkland Islanders."

The Falkland Islands Development Corporation, which is funded to the tune of some £2m a year by the Overseas Development Administration, had been channelling investments into port and bunkering facilities and cold store and fish processing operations. Stanley Fisheries, the corporation's fisheries arm, was rapidly becoming one of the largest trading ventures in the islands.

## Falklands 'are looking up'

THE Falkland Islands are facing an acute skills shortage at a time when its economic prospects have never looked better, the Governor Mr Gordon Jewkes said yesterday.

After years of decline, the decision to throw a 150-mile conservation and management zone round the islands has provided a new-found wealth of riches.

The profit from granting licences to fishing fleets has netted up to £11 million since the zone was announced last October - a considerable sum given a resident population of less than 2,000.

The effect of the 1982 conflict with Argentina has been to stem the gradual de-

cline rather than drastically increase inhabitants, apart from the hefty military garrison.

But the fruits of this drastic change in fortunes are already evident, with money being channelled through the Falklands Islands Development Corporation into salmon farming, a market garden and tourist lodges.

As chairman of the FIDC, Mr Jewkes was in London yesterday to present its annual report.

"We would like more people to come down," he added. "It will be impossible to develop the fishing industry to its optimum unless there are more people. We have an acute shortage

Present indications are that the extra money is being spent sensibly and Governor Jewkes reckons that around £6 million could quickly be swallowed up by building decent roads, installing a telephone system and other everyday facilities which would bring the Falklands into the second half of the 20th century.

But the influx of businessmen, salesmen, and tourists would end the very way of life that the Falklanders wanted to preserve and over which Britain went to war.

There is big money in the Falklands waters and development unstoppable. The bottom line is double or quits. The Argentine knows that, too, and so, in their hearts, do the islanders.

# The good life awaits you ... in the Falklands (if your wife can type)

**HIS EXCELLENCY** is Britain's man Down South. As Governor of the Falkland Islands he also has a couple of expansive sounding titles: Commissioner for remote and uninhabited South Georgia and the South Sandwich Islands, and High Commissioner for the vast and even remoter British Antarctic Territory.

He is in London not only as Falklands Governor, but chairman of the Falkland Islands Development Corporation.

Gordon Jewkes, 56-year old career diplomat, with his development corporation general manager, Simon Armstrong, alongside, is here presenting the corporation annual report. And the Falklands are booming with licence money from fishing concessions.

There are more jobs than people to fill them. Secretaries can't be acquired for love or money. Would-be immigrants are asked: "Can your wife type?"

It is an astonishing turnaround. A remote British colony, slowly depopulating and sinking below the South Atlantic horizon until the Argentine tried to grab it in 1982, is the modern fishing equivalent of the Klondyke.

Don't cry for us, Argentina.

But the question is: Do the islanders want their rural backwater life transformed into a busy cross-roads, nearly 100 trawlers and their crews from the world's fishing nations dropping in to Port Stanley for bunkering and beer? Simon Armstrong, enthusiastic to bring in enterprise and business and money, says it's his job to provide the opportunity - the Falklanders have to make the decision.

And his chairman, and the islanders' governor, swapping hats before your very eyes, says the democratic process is underway, and with eight councillors elected by 1,900 people, or about 240 electors each, he doesn't really think a referendum is necessary.

Armstrong has devised three plans - for all-out development, for keeping the shore-based facilities for the fishing industry in an enclave separate from Port Stanley, and a middle way.

Jewkes says he finds the older generation keen on expansion. They have lived with decades of decline, realise the inevitable result if



AT THE TOP down south: Governor Gordon Jewkes

it went on, and are game for the excitement and prosperity that investment brings, even if it will change their lifestyle.

The younger people find it harder to judge. Their experience is limited and there is no tradition of fishing.

## Interview by TONY AUSTIN

Long-term Argentine ambitions remain a cloud even if, for the present, force has been renounced. It is the lack of that tradition that is crucial, because even servicing the fishing fleets will need new skills, initially at any rate provided by imported labour. And, increasingly, the Falklands are run, not by native islanders, but by newcomers with experience of life in the wide world outside.

Even the population statistics, showing growth for the first time in half-a-century, will not raise the numbers of native islanders as fast as immigration.

"Force breeding?" says Simon Armstrong jokingly, and we all laugh. But at least - and at last - migration has been stemmed. There is something to stay for.

But can the Falklanders adapt and take over the on-site management of new industries? Simon Armstrong speaks of accepting locals with lower than usual education standards for training.

His total expansion plan would create jobs for 250 new workers, many bringing their families and getting close to doubling the present 1,100 population of Port Stanley where development would be centered.

And their presence would demand more doctors, nurses,

teachers, shops and other services. The "camp" of the sheep farms might remain isolated and insular but the quiet capital would never be the same again.

Housing remains the obstacle. An islander can import a do-it-yourself three-bedroomed kit house for £30,000 to £40,000, but to build homes on any scale means bringing construction contractors - there aren't any on the islands - which doubles the cost of a house.

The development corporation have plans for a 25-house estate for fishery workers and the Government intend building a similar number, assuming a majority want that sort of growth.

Fishing in the Falkland waters is mainly by Far East and European ships who have a ready and rich market for squid, but under the licence system they are increasingly in partnership with British firms who put up the money, but, because of the dire state of our own fishing industry, don't have the expertise in deep-sea fishing.

Foreigners, Japs, Koreans, Spanish, Polish, may be losing out, but not to the extent that profits from Falklands waters are no longer worthwhile - and at the same time British fishing is getting a boost.

The turnabout has followed the declaration, last October, of a fishing zone which only came into operation in February, revolutionising the island's economy into clear profit, and leaving sheep farming to provide the bread and butter, and fish to provide, as it were, the jam.

FISHING NEWS  
31 July 1987

# Flag ship rules due in autumn

**NEW laws on registration of UK fishing vessels, designed to stamp out flag of convenience operations and 'quota hopping', should be in force before the end of this parliamentary session.**

The new legislation is to be included in the Merchant Shipping Bill announced in the Queen's Speech, which it is hoped will be introduced in the autumn.

John MacGregor, fisheries minister, made the announcement last Friday during the handing over of two new Dorniers (see page three) for the fishery patrol service.

Under the new law any company wishing to register a British fishing vessel will have to be largely owned and managed by British citizens resident in this country.

The intention to introduce the new legislation was announced by Mr. MacGregor's predeces-

sor, Michael Jopling, shortly before the dissolution of parliament and the general election.

Finding a "legislative slot" in the parliamentary timetable made the timing of the introduction of the new laws uncertain however, and their inclusion in the provisions of the Merchant Shipping Bill will ensure that there will not be any undue delay.

Mr. MacGregor refused to give any details of the new legislation however, and said that they would be announced in the autumn, when the Merchant Shipping Bill is ready.

The minister said he was unable to give a precise date for the introduction of the laws, because "it is hard to tell how long a Bill takes to go through the parliamentary process," but it would be in force by the end of this session of parliament.

Mr. MacGregor said there would be "a great deal of interest" in the Bill by MP's with fishing interests in their constituencies.

## Air arm too weak for war — admiral

Yorkshire Post Correspondent

THE Royal Navy's Fleet Air Arm, which played a highly successful role in the Falklands conflict, does not have enough pilots to go to war, it was claimed yesterday.

In the five years since the South Atlantic campaign, it has failed to attract sufficient funding even to maintain its capability.

Rear Admiral Roger Dimmock, Flag Officer Naval Air Command, disclosed it was proving difficult to find new pilots for Sea Harriers.

He said: "We learned from the Falklands we had to have two teams of air crew for each aircraft. We certainly need more air crew. We have been able to meet our peacetime requirements but

we don't have enough pilots for the war role."

Speaking at the Royal Navy Air station at Yeovilton, Somerset, before a ceremony to mark the 50th anniversary of the transfer of the FAA from the RAF to the Navy, he attacked the lack of funding, which has left update programmes for the three main frontline aircraft — the Sea King and Lynx helicopters and the Sea Harrier — still requiring formal funding approval.

"The superb performance of the Fleet Air Arm has not yet attracted the level of funding to maintain or enhance our capability," he said, while acknowledging pressure on resources.



## Falkland funds boosted by fishing

By Andrew McEwen  
Diplomatic Correspondent

The Governor of the Falkland Islands, Mr Gordon Jewkes, says in a report published today that the new fishing industry is about to give the islands substantial funds to spend on development.

"Decisions taken now will shape the whole pattern of life", he says in a report of the Falkland Islands Development Corporation, of which he is chairman.

In an interview with *The Times*, which publishes today a Special Report on the Falklands, he attacked misconceptions about the islands' prospects. "There have been those who regarded the Falklands as an economic basket case to be propped up with huge amounts of aid", he said, blaming their attitude on a selective interpretation of defence costs.

"Such figures tend to ignore the fact that successive (British) governments for 100 years adopted a policy of benign neglect. It will be very difficult in future for people to regard the Falklands as a drain on the taxpayer."

Mr Jewkes said that a 56-year decline in the islands' population had been reversed. A census taken last November, but not yet published, put the population at 1,919 — up by 5.8 per cent on 1980. But the increase is entirely in Stanley, which has grown by 18 per cent, to 1,239.

A population drift caused by farm mechanization aroused no concern until it was realized that high fishing wages could accelerate it. New policies may now be needed. Mr Jewkes said: "We are very anxious to avoid a flight from the land."

Population drift is already far advanced. The population outside Stanley is only 648 (a drop of 15 per cent), and spread over an area larger than Wales.

A land redistribution policy has had unwanted side-effects. Before the 1982 war, most land was owned by 30 companies or families. The development corporation is gradually buying big farms, dividing them and selling them to former farmworkers.

Special Report, pages 16-17

# Growth rate could soar

The development policy of the Falklands is being hammered together in a ramshackle clutter of make-do offices surrounded by the masts of a disused wireless station.

There is a whiff of frontier spirit as the Falkland Islands Development Corporation works to diversify the sheep-based economy into fisheries, industry and tourism.

The excitement peeps through its annual report, to be published today. The chairman, Gordon Jewkes, who is also the governor of the islands, points out that the new 150-mile fishing limit has "changed the whole economic outlook".

He adds: "Probably for the first time in its history (the Falklands) has a source of income which should provide a sizeable surplus."

The corporation's prospects have been transformed by the injection of more than £7 million in recent months, raised by persuading fishing companies to invest in 13 joint-venture schemes it runs.

The bait — some would call it arm-twisting — was that the government would give preference for fishing licences to companies willing to invest.

Priority is now being given to establishing a Falklands-based fishing industry. A joint venture called SWB Fisheries, 51 per cent owned by the corporation received a £1.4 million contract to buy and refurbish a trawler.

When the ship, the Arctic Freebooter, renamed the Lord Shackleton, arrives in October, it will be the first Falklands-registered trawler, and will compete with Spanish vessels for loligo squid.

A further deep-sea trawler is due to arrive from the Faroes in November, chartered to test the potential for shrimp and scallops. And research has established that crab fishing should be viable, too. So two purpose-built British vessels are being imported to exploit that.

The most valuable catch in the Falklands fishery is the illicit squid, which also presents the biggest problems, because of the need for

specialized techniques of "jigging" for the squid.

So some of the joint ventures involve British companies chartering vessels and crews from Japan, Korea and Taiwan. British fishermen will be trained on board, and may one day become captains of Falklands-based jiggers.

Projects still on the drawing board include setting up port and bunkering facilities, a cold store and fish-processing facilities. Plans are being discussed to buy a huge floating dock that was built by the Ministry of Defence in Stanley harbour.

One joint venture that is sure to be a big earner will provide fuel and water for the fishing fleets, which at present bring their own tankers.

Two civil servants, Simon Armstrong, general manager of the corporation, and Brian Cummings, newly appointed chief executive of the government, have given the lead in planning.

But both men emphasize that though they may identify the options, the choice lies with the islanders themselves.

They fired the opening shot this month by holding a weekend seminar at which they presented a group of leading local people with three different grand designs.

The most cautious option was to use the new wealth to increase living standards, while keeping the fishermen at arm's length and resisting big changes. The most ambitious was to go for flat-out development, accepting that it will mean a large population increase and will bring problems as well as benefits.

Mr Armstrong believes there was general agreement to go for full development. But the seminar was only the start of the democratic process.

He said: "We may have to consider whether in five years time Korean should be in the curriculum of the secondary school. The islanders may find themselves outvoted by newcomers in the future."

One option would be to restrict immigration to Britons and to require a long period of residence before granting voting rights.

## Long, cold days for the troops

It is not hard to guess how Argentina feels about the large revenues the Falkland Islands government is earning from waters which Buenos Aires considers its own.

"Human nature being what it is," said Gordon Jewkes, the governor. "I think there will be some disposition to view it with envy."

But neither he nor Rear Admiral Christopher Layman, Commander of British Forces in the Falklands, believes that this necessarily increases the military risk. Mr Jewkes says that Argentina's sovereignty claim is based on emotional and historical, but not economic, factors.

Though it has never formally declared an end to hostilities, Argentina's stated policy is not to retake the islands by force.

Nevertheless, recent reports of a reduction of British forces (denied by Ministry of Defence sources) have aroused concern among islanders, ever fearful that Britain might return to the "trip wire" policy of maintaining only a token force there.

A tour of the impressive military complex at Mount Pleasant showed such fears to be fanciful. While the figures are secret, informed guesses suggest that British forces exceed the population of Stanley, although they are probably less than the entire population of the islands.

By comparison, on April 2, 1982, just 66 marines, with three officers and 11 other men, found themselves outnumbered at least 25 to one by Argentine invaders.

The £400 million Mount Pleasant airport, built with an 8,500ft runway to take long-haul jets, has cut the journey time from RAF Brize Norton, Oxfordshire, to about 18 hours. It makes rapid reinforcement by air feasible.

In an interview, Admiral Layman said it gave "fingertip control", allowing force levels to be adjusted to meet the perceived threat. "I am happy with the level of forces. They are here to defend the islands and I am satisfied they can do the job".

Having helped to regain the islands in 1982 as Captain of the frigate *HMS Argonaut*, which survived when two bombs crashed through its decks and failed to explode, Admiral Layman seems unlikely to underestimate the threat.

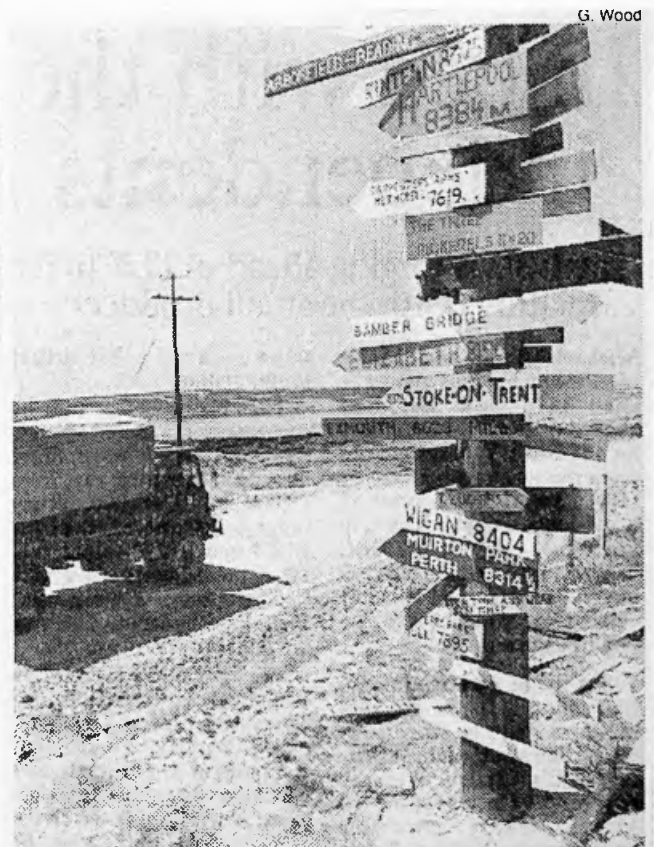
There was some reduction of numbers when it was decided to centralize the joint-service garrison at Mount Pleasant and its nearby naval facility at Mare Harbour. But defence sources say subsequent departures from the Falklands caused no further reduction because replacements were sent in equal numbers.

The British taxpayer is spending £257 million this year on Falklands defence, equivalent to about £130,000 per islander. That figure tends to overshadow the personal sacrifices still being made by the men in uniform.

On the frozen hillsides of Mount Pleasant, the so-called "rock apes" of 63 Squadron, currently the resident Rapier missile squadron, are undoubtedly giving the taxpayer value for money.

Corporal Dave Myatt, Tactical Controller, was on duty, facing into an icy southerly wind as he tracked aircraft with the missile guidance system, when I visited an eight-man detachment known as Call Sign 23.

Squadron Leader Sandy Davie told me: "The wind speed must be above 25 knots half the time up here. Sometimes it's so cold that the crews have to be rotated every 20 minutes."



This way: soldiers stationed in the Falklands demonstrate their nostalgia for home in a multi-directional signpost.

#### DATELINES

**1690:** Captain John Strong lands and names islands after Viscount Falkland, Treasurer of Navy. French seal hunters come later and call them "les Malouines" after home port St Malo. Spanish subsequently turn this into "las Malvinas".

**1764:** First French colony.

**1765:** Britain claims islands. First British colony in 1766.

**1767:** France hands over colony to Spain. Governor sent.

**1770:** Spanish fleet forces British colony to leave.

**1771:** Britain threatens to send task force. Spain backs down. British colony reestablished and co-exists alongside Spanish colony.

**1774:** British colony folds on economic grounds. Britain retains sovereignty claim.

**1811:** 32nd Spanish governor leaves. Islands are now uninhabited.

**1820:** Argentina claims sovereignty.

**1833:** Argentine governor forced to leave by British warship. British colony reestablished.

**1914:** British fleet destroys four German cruisers in Battle of the Falklands.

**1982:** Argentine forces invade April 2; surrender June 14.

**1986:** Sir Geoffrey Howe declares 150-mile fishing limit.

# A richer life from the sea

The islands have become a place of new wealth and opportunity, triggered by the boom in fishing

**A**fter 154 years in the economic doldrums, the Falkland Islands are experiencing a remarkable change in their prospects, buoyed by a tide of new wealth from the fishing industry.

Even a year ago it would have seemed absurd to paint the Falklands as a land of opportunity. No one was prepared for the boom triggered by Britain's decision last October to declare a 150-mile fishing limit around the islands.

Confidence has been further boosted by Mrs Thatcher's election victory and the Government's renewed pledge not to negotiate the islands' sovereignty. For the first time in half a century the population is rising.

Now the military aircraft arriving at Mount Pleasant airport carry business executives, surveyors and accountants eager to participate in the new opportunities.

With money pouring in from fishing licences and from joint-venture participation fees, resources have become available for a host of projects.

Plans are afoot to persuade the fishing fleets, coming from nine nations, to operate from Stanley, to dredge its harbour for their deep-draught vessels, to provide the facilities of a

modern port, and to create a home fishing industry to compete with them.

A senior official has been shopping recently for seven lighthouses, an aircraft hangar and a small fleet of trawlers.

That is only the half of it. At the same time — and with great urgency — the main hotel is to be modernized, house-building is to be accelerated, a new school constructed, the education system reviewed and the tax structure changed to cater for a far more prosperous economy.

Extensive preparations made last year to revamp the war-damaged tourist industry should at least double the number of visitors in 1987.

There is a new sense of dynamism on the land due to a programme, run by the government and the Falkland Islands Development Corporation, of buying out absent landlords and dividing the farms into smaller units. Efforts to link far-flung communities by building all-weather tracks are under way.

By October locally produced vegetables, hitherto to be had only from back-garden part-timers, will be on sale in Stanley, due to a hydroponics farm which is about to put its first products on the market. It

should transform the mutton-dominated diet.

Stanley's first up-market restaurant, Monty's, has achieved a turnover 40 per cent higher than predicted only three months after it opened.

The first boutique, opened in February, has £20,000 worth of clothes in transit from Britain at any one time. There are probably more videos in relation to population than in Britain, and almost certainly more Land Rovers a head than anywhere in the world.

The sense of renewal and rapid development startles the newcomer, conditioned by every writer since Dr Johnson, who called the islands "the undiluted lords of tempest-beaten barrenness".

The fact that the 1982 war was fought during the southern winter reinforced an only half-deserved image of bleak isolation. The Falklands is no further south than London is north, and its winter is no colder. But even now a winter visitor could be tempted to view the place as an encrustation of humanity clinging to a vastness of nature.

A land the size of Northern Ireland remains largely the preserve of sheep and wild geese, with wonderfully expressive rock-hopper penguins and elephant seals on its shores. Communities of half a dozen wooden houses with tin roofs cluster on the edge of farms of 10,000 to 200,000 acres, separated by miles of brown grass and snow-capped hills.

Stanley, described by farmers as "the city", resembles a Cornish fishing village with a population of about 1,200. Even now it lacks a dry-cleaner, greengrocer, fishmonger, butcher and solicitor who can do private work full-time.

## FALKLAND FILE

- Governor: Gordon Jewkes
- Land area: 4,700 square miles.
- Population (November 1986): 1,919, of which 1,239 live in Stanley.
- Government revenue: 1985/6: £6.003 million. 1986/7 (est): £21.142 million. (year runs July to June).



Fish guard: the Red Ensign flies from a fisheries protection vessel checking a Polish trawler

There is a desperate shortage of accommodation: many officials work from clusters of portable builders' cabins. The labour shortage here is even worse. Nearly a third of government jobs are vacant, local officials speak of "chronic over-employment", and anyone willing to work can take on not one, but several jobs.

But though the development of the Falklands is starting from a very low base, there is no doubt that a historic corner has been turned within the last six months.

Until now the Falklands tended to be seen as a costly possession of questionable value. When Britain threatened to send a large naval task force in the 1770s after being dispossessed by Spain, there were those who argued that it was not worth the effort.

When it actually did so two centuries later, in response to

## More houses, a new school, and more jobs than people to fill them

a repetition of history by Argentina, the doubters were still more vociferous.

Even Lord Shackleton's report and subsequent development efforts seemed to have limited impact — until the

fishing money started to flow. Now, by contrast, businessmen are saying that if Britain was willing to fight when there seemed to be nothing worth having, there is not much risk of its giving up what looks increasingly like an asset.

International opinion may take a long time to catch up, and Argentina is never likely to accept the principle of self-determination for the islanders. But no one doubts that the despair and decline which characterized the 1970s have given way to a new mood of self-confidence.



## 'Regal reception' in Argentina

By our Trade Correspondent

The head of the first British trade mission to visit Argentina since the Falklands War said yesterday that the 12 businessmen in the party had been "received regally," although none of them had secured new orders. The Argentines have been blocking British imports ever since the declaration of a 150-mile fishing zone around the Falklands last November.

Their visit earlier this month was an offshoot of an official trip to Uruguay, Paraguay and Chile, the biggest overseas trade mission ever sponsored by the British Overseas Trade Board. The businessmen who went on to Buenos Aires paid their own expenses, but the Government yesterday made clear that it was sympathetic to their initiative.

The press conference to report back on the results of the mission was held at the offices of the body which advises the

BOTB on trade with Latin America and a senior DTI official was present.

The Argentine leg of the trip was led by Mr Paul Eadie, the chairman of Eadie Brothers, a Manchester-based textile machinery accessories firm. Yesterday, he conceded that British exporters faced a "slight uphill struggle" in recapturing a share of the Argentine market.

Argentina was once Britain's best market in Latin America, with annual sales of £161 million in the last full year before the conflict. Although Britain reopened its market to Argentine goods in July 1985, the ban on British imports by Argentina was not lifted until April of last year.

During 1986, Britain's sales soared from around £5 million to £10.11 million. But since the fishing zone was announced, not a single import licence has been issued to a British company.

# Defence group takes aim at software hitches



Adverse weather conditions are reported to have affected computers on RAF planes

By Andrew Lawrence

British forces fighting in the Falklands suffered a series of computer-related problems which could have had serious repercussions in a European war.

This is the conclusion of the latest House of Commons Defence Committee report on the Falklands war, 'Implementing the lessons of the Falklands Campaign'.

According to the report, software upgrade problems affected the use of air-to-air sidewinder missiles, while weather conditions affected the use of two on-board Harrier jump-jet computers.

Shipborne radars were hindered by the fact that they did

not make enough use of software for flexibility, and all the systems suffered from the lack of a database for identifying friendly or enemy aircraft, the report said.

'It is difficult to avoid the conclusion that in the field of electronic warfare British forces have fallen behind in the use of modern technology,' it says, arguing that the speed of development by potential enemies is not an excuse for 'total inactivity'.

The report also refers to a report from the US navy which said: 'The British were hampered by a lack of modern radars, target identification systems, data management systems and electronic warfare equipment in their fleet.'

Attention is drawn to the fact that the Argentines made almost no use of modern electronic warfare techniques, but that the position would be very different in Europe.

The lack of an 'Identification Friend or Foe (IFF)' system could have serious consequences in Europe, where the situation would be 'hideously complicated'.

Even in the Falklands, HMS Cardiff accidentally shot down a British army Gazelle helicopter.

The committee said that it remains 'deeply concerned' that a fully integrated Nato approach on IFF systems has apparently not proved possible.

# Squid by the ton goes into the trawlers' nets

The Falklands are fast becoming the Klondyke of the southern seas for the world's fishing fleets

**I**n the captain's cabin aboard a rusty, 20-year-old Polish trawler, three British fisheries officers clinked vodka-filled glasses with the Scotch-drinking skipper.

An understanding that East and West can do mutually profitable business was about to be cemented with the hospitality of the high seas.

Whatever their diplomats may say at the United Nations about Argentina's claim to sovereignty, few major fishing nations can afford to stay out of the Falklands waters.

The scene has been repeated time after time since July 12, when the first vessels of the new season arrived. Thirty Polish trawlers have received licences to catch blue whiting during the second fishing season since Britain declared a 150-mile limit.

Next week it will be the turn of up to 19 Spanish trawlers, arriving to catch the immensely valuable loligo squid. They will pay up to £9,722 a month each for the right, but should earn 20 times as much.

Altogether, 90 trawlers from nine nations have been offered licences for the second half, which was always expected to be quieter than the first. Then, the pursuit was for illex squid, highly prized in Asia.

Lured by prices of up to \$2,500 a tonne, strange-look-

ing Japanese and South Korean vessels known as "jiggers" caught up to 100 tonnes of squid a day each, using powerful lights and computer-controlled lines.

John Pollard, administration manager of Stanley Fisheries, a subsidiary of the Falkland Islands Development Corporation, estimated that at least £500 million worth of illex squid and fin fish was caught between February and June. At one point there were 4,000 fishermen at work — twice the population of the islands.

The trawlers come in to Berkeley Sound, an almost deserted Falklands bay, to unload their cargoes into specialized vessels known as reefers, to refuel from tankers, and to take on food and water from large mother ships.

## Fees are expected to top £14 million — double the entire Falklands budget

In May and June they made it the busiest harbour in the southern hemisphere, exceeding Simonstown, Melbourne and Sydney in terms of ship movements, according to Falklands officials. Yet the only spectators were the inhabitants of two tiny farm settlements and rows of penguins standing like sentries on the headlands.

All this could soon change. A survey of Port Stanley's harbour completed this month showed that it would be feasible to dredge it to the eight-metre depth needed by the larger vessels.

If the local council approves development plans, the fleets will use Stanley in future, spawning a huge expansion of port facilities and related services.

Extra workers needed to man bunkering, ship-repair and chandlery services, as well as the additional hotels, restaurants and shops, could cause a further big population increase.

Licence fees, harbour dues and trans-shipping licences are expected to bring in £14 million this year — equivalent to double the entire Falkland Islands government budget for the previous year. But even that could seem small beer when the development plans reach fruition.

The huge economic prospects have overshadowed the

The second was a decision by Argentina to license Soviet and Bulgarian trawlers to fish in waters overlapping those claimed by Britain.

Peter Derham, director of fisheries, who was formerly Chief Inspector of Fisheries at the Ministry of Agriculture in London — and whose past experience includes the cod wars between Britain and Iceland — believes the decision was taken just in time to prevent lasting harm.

He said: "Last year there were something like 600 vessels here at the peak time. It was like a Klondike. It is generally thought and hoped that we have nipped it in the bud, but we will not know for sure until next year".

Much depends on the effectiveness of policing arrangements, which are expected to cost £4 million this year.

Two former British deep-sea trawlers were chartered for use as fisheries protection vessels. There is also a Dornier aircraft, which will operate from Stanley airport.

There was some excitement on July 16 over the presence of a Soviet reefer (a specialized cargo vessel) in Berkeley Sound. The ship, the Krimskoye Gory, paid £5,000 for a trans-shipping licence to transfer fish to and from a Polish mother ship called the Gryf Pomorski.

This appeared to cut across Moscow's policy of refusing to buy fishing licences for Falklands waters, but the fishery authorities were happy to accept the money.

# Off to explore the city of 1,000

## TOURISM

Skimming low over a beach carpeted in strange, tufted growths, the helicopter settles in what would pass for a paddock but for the windsock. There is not a house in sight.

A Land Rover bumps over a grassy rise and takes the traveller to a Scandinavian-style lodge. No more complete escape for the world-weary could be imagined.

Sea Lion Island has a resident population of three, not counting the barking beasts that gave it the name. Other wildlife includes elephant seals, several species of penguin and giant petrels.

It is so remote that every piece of the lodge had to be flown in by Chinook military helicopter.

Sea Lion is one of three stops, in very different settings, on a 17-day tour that aims to give a taste of all aspects of the wildlife and culture of the Falklands. It costs about £2,500, including travel, meals and guides.

Another stop is Port Howard, a 200,000-acre sheep farm on West Falkland. Guests stay in the former farm manager's

house and meet local people like Ken Bernstein, aged 44, the foreman, whose Norwegian great-great-grandfather settled in the Falklands in the 19th century. "I wouldn't live anywhere else," he says. "Can't stand cities. Two days in Stanley and I go up the wall."

With a population of just over 1,000, Stanley hardly qualifies as a city, but it does not take long to begin to view the world through Mr Bernstein's perspective.

There are also guided tours of the battlefields for military buffs. A group of 16 that came in April included a High Court judge, a retired bank manager and a former petty officer.

Restoring the tourism industry, devastated by the 1982 war, has been a priority of the Falkland Islands Development Corporation.

Graham Bound, managing director of Falkland Island Tourism, a subsidiary of the

corporation, said that in the past the Falklands received about 5,000 visitors a year by sea and a further 1,000 by air from South America.

Last year there were under 100 genuine tourists, which excludes cruise passengers, who spend relatively little in the islands. This year Mr Bound hopes for 200, and is

concentrating on the discerning, well-heeled traveller.

Meanwhile Stanley's best-known hotel, the Upland Goose, is being refurbished, and the surprisingly-named Malvina House Hotel is to be done up too.

● *Further information from: Falkland Islands Tourism (0904-782136).*

The Times  
30 July 1987

## Falkland funds boosted by fishing

By Andrew McEwen  
Diplomatic Correspondent

The Governor of the Falkland Islands, Mr Gordon Jewkes, says in a report published today that the new fishing industry is about to give the islands substantial funds to spend on development.

"Decisions taken now will shape the whole pattern of life", he says in a report of the Falkland Islands Development Corporation, of which he is chairman.

In an interview with *The Times*, which publishes today a Special Report on the Falklands, he attacked misconceptions about the islands' prospects. "There have been those who regarded the Falklands as an economic basket case to be propped up with huge amounts of aid", he said, blaming their attitude on a selective interpretation of defence costs.

"Such figures tend to ignore the fact that successive (British) governments for 100 years adopted a policy of benign neglect. It will be very difficult in future for people to regard the Falklands as a drain on the taxpayer."

Mr Jewkes said that a 56-year decline in the islands' population had been reversed. A census taken last November, but not yet published, put the population at 1,919 — up by 5.8 per cent on 1980. But the increase is entirely in Stanley, which has grown by 18 per cent, to 1,239.

A population drift caused by farm mechanization aroused no concern until it was realized that high fishing wages could accelerate it. New policies may now be needed. Mr Jewkes said: "We are very anxious to avoid a flight from the land."

Population drift is already far advanced. The population outside Stanley is only 648 (a drop of 15 per cent), and spread over an area larger than Wales.

A land redistribution policy has had unwanted side-effects. Before the 1982 war, most land was owned by 30 companies or families. The development corporation is gradually buying big farms, dividing them and selling them to former farmworkers.



## THE FALKLANDS

## FOCUS

A SPECIAL REPORT

By Andrew McEwen

Diplomatic Correspondent

## A richer life from the sea

## Growth rate could soar

Andrew McEwen

The islands have become a place of new wealth and opportunity, triggered by the boom in fishing

After 154 years in the economic doldrums, the Falkland Islands are experiencing a remarkable change in their prospects, buoyed by a tide of new wealth from the fishing industry.

Even a year ago it would have seemed absurd to paint the Falklands as a land of opportunity. No one was prepared for the boom triggered by Britain's decision last October to declare a 150-mile fishing limit around the islands.

Confidence has been further boosted by Mrs Thatcher's election victory and the Government's renewed pledge not to negotiate the islands' sovereignty. For the first time in half a century the population is rising.

Now the military aircraft arriving at Mount Pleasant airport carry business executives, surveyors and accountants eager to participate in the new opportunities.

With money pouring in from fishing licences and from joint-venture participation fees, resources have become available for a host of projects.

Plans are afoot to persuade the fishing fleets, coming from nine nations, to operate from Stanley, to dredge its harbour for their deep-draught vessels, to provide the facilities of a

modern port, and to create a home fishing industry to compete with them.

A senior official has been shopping recently for seven lighthouses, an aircraft hangar and a small fleet of trawlers.

That is only the half of it. At the same time — and with great urgency — the main hotel is to be modernized, house-building is to be accelerated, a new school constructed, the education system reviewed and the tax structure changed to cater for a far more prosperous economy.

Extensive preparations made last year to revamp the war-damaged tourist industry should at least double the number of visitors in 1987.

There is a new sense of dynamism on the land due to a programme, run by the government and the Falkland Islands Development Corporation, of buying out absent landlords and dividing the farms into smaller units. Efforts to link far-flung communities by building all-weather tracks are under way.

By October locally produced vegetables, hitherto to be had only from back-garden part-timers, will be on sale in Stanley, due to a hydroponics farm which is about to put its first products on the market. It

## FALKLAND FILE

- Governor: Gordon Jewkes
- Land area: 4,700 square miles.
- Population (November 1986): 1,919, of which 1,239 live in Stanley.
- Government revenue: 1985/6: £6,003 million. 1986/7 (est): £21,142 million. (year runs July to June).

should transform the mutton-dominated diet.

Stanley's first up-market restaurant, Monty's, has achieved a turnover 40 per cent higher than predicted only three months after it opened.

The first boutique, opened in February, has £20,000 worth of clothes in transit from Britain at any one time. There are probably more videos in relation to population than in Britain, and almost certainly more Land Rovers a head than anywhere in the world.

The sense of renewal and rapid development startles the newcomer, conditioned by every writer since Dr Johnson, who called the islands "the undiluted lords of tempest-beaten barrenness".

The fact that the 1982 war was fought during the southern winter reinforced an only half-deserved image of bleak isolation. The Falklands is no further south than London is north, and its winter is no colder. But even now a winter visitor could be tempted to view the place as an encrustation of humanity clinging to a vastness of nature.

A land the size of Northern Ireland remains largely the preserve of sheep and wild geese, with wonderfully expressive rock-hopper penguins and elephant seals on its shores. Communities of half a dozen wooden houses with tin roofs cluster on the edge of farms of 10,000 to 200,000 acres, separated by miles of brown grass and snow-capped hills.

Stanley, described by farmers as "the city", resembles a Cornish fishing village with a population of about 1,200. Even now it lacks a dry-cleaner, greengrocer, fishmonger, butcher and solicitor who can do private work full-time.

There is a desperate shortage of accommodation: many officials work from clusters of portable builders' cabins. The labour shortage here is even worse. Nearly a third of government jobs are vacant, local officials speak of "chronic over-employment", and anyone willing to work can take on not one, but several jobs.



Fish guard: the Red Ensign flies from a fisheries protection vessel checking a Polish trawler

More houses, a new school, and more jobs than people to fill them

a repetition of history by Argentina, the doubters were still more vociferous.

Even Lord Shackleton's report and subsequent development efforts seemed to have limited impact — until the

fishing money started to flow. Now, by contrast, businessmen are saying that if Britain was willing to fight when there seemed to be nothing worth having, there is not much risk of its giving up what looks increasingly like an asset.

International opinion may take a long time to catch up, and Argentina is never likely to accept the principle of self-determination for the islanders. But no one doubts that the despair and decline which characterized the 1970s have given way to a new mood of self-confidence.

The development policy of the Falklands is being hammered together in a ramshackle clutter of make-do offices surrounded by the masts of a disused wireless station.

There is a whiff of frontier spirit as the Falkland Islands Development Corporation works to diversify the sheep-based economy into fisheries, industry and tourism.

The excitement peeps through its annual report, to be published today. The chairman, Gordon Jewkes, who is also the governor of the islands, points out that the new 150-mile fishing limit has "changed the whole economic outlook".

He adds: "Probably for the first time in its history (the Falklands) has a source of income which should provide a sizeable surplus."

The corporation's prospects have been transformed by the injection of more than £7 million in recent months, raised by persuading fishing companies to invest in 13 joint-venture schemes it runs.

The bait — some would call it arm-twisting — was that the government would give preference for fishing licences to companies willing to invest.

Priority is now being given to establishing a Falklands-based fishing industry. A joint venture called SWB Fisheries, 51 per cent owned by the corporation received a £1.4 million contract to buy and refurbish a trawler.

When the ship, the Arctic Freebooter, renamed the Lord Shackleton, arrives in October, it will be the first Falklands-registered trawler, and will compete with Spanish vessels for loligo squid.

A further deep-sea trawler is due to arrive from the Faroes in November, chartered to test the potential for shrimp and scallops. And research has established that crab fishing should be viable, too. So two purpose-built British vessels are being imported to exploit that.

The most valuable catch in the Falklands fishery is the illex squid, which also presents the biggest problems, because of the need for

specialized techniques of "jigging" for the squid.

Some of the joint ventures involve British companies chartering vessels and crews from Japan, Korea and Taiwan. British fishermen will be trained on board, and may one day become captains of Falklands-based jiggers.

Projects still on the drawing board include setting up port and bunkering facilities, a cold store and fish-processing facilities. Plans are being discussed to buy a huge floating dock that was built by the Ministry of Defence in Stanley harbour.

One joint venture that is sure to be a big earner will provide fuel and water for the fishing fleets, which at present bring their own tankers.

Two civil servants, Simon Armstrong, general manager of the corporation, and Brian Cummings, newly appointed chief executive of the government, have given the lead in planning.

But both men emphasize that though they may identify the options, the choice lies with the islanders themselves.

They fired the opening shot this month by holding a weekend seminar at which they presented a group of leading local people with three different grand designs.

The most cautious option was to use the new wealth to increase living standards, while keeping the fishermen at arm's length and resisting big changes. The most ambitious was to go for flat-out development, accepting that it will mean a large population increase and will bring problems as well as benefits.

Mr Armstrong believes there was general agreement to go for full development. But the seminar was only the start of the democratic process.

He said: "We may have to consider whether in five years time Korean should be in the curriculum of the secondary school. The islanders may find themselves outvoted by newcomers in the future".

One option would be to restrict immigration to Britons and to require a long period of residence before granting voting rights.

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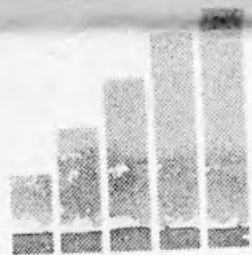
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**Falklands war  
veterans gaoled**

PETER Seymour, aged 30, a Falklands war veteran, of Tamworth, Staffs, was gaoled for four years at Winchester Crown Court yesterday for stealing "a dazzling array" of weapons from his barracks at Aldershot.

Another Falklands veteran, Neil Dance, 26, of Willems Park, Aldershot, who was mentioned in despatches for bravery, was gaoled for 15 months for handling the stolen weapons.



## Psephological factor

You thought it was the Falklands factor which swept Mrs Thatcher to electoral victory in June 1983? Think again. In contravention of Crewe (for whom public opinion and party politics were "transformed" by the Falklands war), in defiance of Donleavy and Husbands (who have calculated that the war was worth a long-term boost in government popularity of 16 points), David Sanders of Essex University and three collaborators have unleashed, in the stately pages of the *British Journal of Political Science*, an analysis which if correct blows all previous argument out of the water. The Falklands war, they reckon, added a mere three points to the Government's popularity, lasting a mere three months.

What swept the Conservatives up the opinion polls in May-June 1982, and built a platform for subsequent general election victory was not so much the gallant deeds of our lads on the battlefield as "movements in macro-economic variables." They derive this conclusion from the construction of a model based on four factors: people's views about the economic prospects for themselves and their families over the next 12 months; and the measurable trends in unemployment; in the exchange rate; and in the PSBR. On the basis of these four tests, they conclude, a sudden climb in Government popularity in the late spring of 1982 was wholly predictable. Broad macroeconomic forces already operating in the six months or so before the Falklands conflict would in all probability, they estimate, have led to a dramatic resurgence in Govern-

ment popularity anyway: "the interposition of the Falklands crisis merely served to mask the effects of these macroeconomic changes and to give the false impression that the revival of Mrs Thatcher's electoral fortunes was the consequence principally of an uncontrived but well-managed foreign policy entanglement rather than the result of clever macroeconomic management." The architect of Mrs T's second term, in other words, was not as so many supposed at the time, bungling old General Galtieri, but mumbling old Geoffrey Howe.

This is one of those controversies where the teachings of academics brutally coincide not just with the teachings of other academics but with the broad feel and gut instinct of the man in the street. Did all those headlines about Our Boys and "Gotcha," all those tear-stained, quayside television welcomes to our returning fleet, really go, psephologically speaking, for nothing? And those who wish to explore these matters further should be warned that to do so means venturing into a kind of sociological enchanted forest in which Norpoth attempts to model the decay factor in the Falklands effect using Box-Jenkins and Box-Tao techniques, while Sanders et al struggle to construct "a parsimonious model of government popularity" which can, *inter alia*, avoid high colinearity of predictor variables. Yet party managers will have to make the effort, for what this paper is saying will, if true, matter quite a lot to them. First, because it would seem to explode the legend, credited on all sides, that there are votes to be had in parading the flag and banging the big bold patriotic drum; and second, because it strongly suggests that if you can succeed in manipulating the economy correctly, you can hope to go on (and on and on?) winning elections.

That, though, will come as no surprise to many in the field, especially Chancellor Lawson. As a diligent amateur psephologist — perhaps even good enough in his day to avoid high colinearity between predictor variables — he used to advance exactly this kind of view as editor of the *Spectator* twenty years ago. Indeed, looking at the way he contrived to manipulate the economy in the run-up to this year's election, one can't help suspecting that he may actually have reached this particular psephological Port Stanley ahead even of Sanders et al.

**Prosperity is the key to**

**Conservative successes**

# The Tories' election race winner

**Peter Kellner on a new analysis of Government popularity**

A few weeks ago, during the Queen's speech debate, David Owen voiced the thoughts of many people about the general election result. He said that although the Conservatives' lost seats, their victory was more impressive than in 1983. Then the Tories benefited from the afterglow of the Falklands factor; this time they were on their own. Until last week I held the same view. I have now changed my mind. A compelling study of Conservative popularity between 1981 and 1983 appears in the current issue of the *British Journal of Political Science*. It argues that the "Falklands factor" was small and lasted only three months. It had no bearing on the 1983 result.

David Sanders, leading a team from the Department of Government at Essex University, reckons that most of the rise in Conservative popularity at the time of the war, and almost all of their retained popularity after it, flowed from Britain's economic performance. Mr Sanders has devised by far the most sophisticated model that I have seen to translate economic performance into government popularity.

His findings are remarkable. Paradoxically, part of that remarkability flows from the time it takes for academics to perform and publish their work; for the study was completed well before the recent election. What we are able to do, therefore, is test the model against last month's election. My own verdict is simple: it works. There are few, if any, permanent truths about public opinion. Nevertheless the Essex team does appear to have uncovered some uncommonly precise and durable connections between economic and political performance. Along the way they not only dispose of the Falklands myth; they also provide a plausible explanation of why governments suffer, then recover from, "mid-term blues".

Anyone reviewing the Conservatives' recovery in 1982 is faced with four clear facts: 1) it began before the Argentinians invaded the Falklands (Gallup, in line with other pollsters, showed the Tories up from 27 per cent in January and February to 31 per cent in March; 2) Tory popularity jumped suddenly a few weeks after the task force sailed (Gallup's figures: April 31, May 41, June 45); 3) the Government continued to hold its popu-

larity after the war much longer than many of us, me included, expected; 4) throughout this period incomes and consumer spending were rising, and interest rates were falling.

It is easy to attribute Tory fortunes from the spring of 1982 on to a mixture of luck and judgment. The hard bit is to calibrate those different components month by month: how much was due to the Falklands, and when, and how much to other factors, and which? To simplify a complex argument, Mr Sanders and his colleagues find that the Tories' monthly poll movements between 1981 and 1983 can be largely explained by four economic factors.

One of these is subjective: Gallup's monthly responses to one of a battery of questions it asks for the European Commission: "How do you think the financial situation of your household will change over the next 12 months?" The other three measures are all derived from government statistics: unemployment, the exchange rate and public sector borrowing. According to the Essex model, the Tories did best when financial expectations were rising, unemployment was

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THE INDEPENDENT (2)

27 JUL 1987

falling, public sector borrowing had been falling six months earlier, and the exchange rate had been falling a year earlier.

That last finding is perhaps the most

surprising: governments tend to prefer a strong currency to a weak one. The likeliest explanation for the opposite being true is that when sterling falls, British industry becomes more competitive; after a year this has fed through into higher profits, higher pay, more overtime and so on.

In other words it was the consequences rather than the fact of lower sterling that helped the Tories in 1982. Likewise with public sector borrowing. It would be fanciful to suggest that hundreds of thousands of voters simultaneously say to themselves, "gosh, I have just realised that the seasonally adjusted PSBR figures six months ago looked rather good: I must rush out and tell the pollsters that I'm switching back to the Tories." Rather, as with the exchange rate, a lower PSBR feeds through the financial markets into lower interest rates and the prospect of tax cuts; again, it was

the consequences of a lower PSBR, six months down the line, that fed through to the Conservatives' advantage in 1982.

When the Essex team ran these figures through their computer, they found that even without the Falklands War, a sharp rise in Tory popularity in the spring of 1982 was likely to occur. Unemployment was beginning to level off, personal financial expectations were rising, British industry was benefiting from a 10 per cent depreciation of sterling during the first half of 1981, and a late-1981 containment of government borrowing led to lower interest rates and a tax-cutting budget in March 1982. Not only does the Essex model explain an increase in the Tories' rating in 1982: it specifically explains much of the jump between April and May of that year. Sanders et al conclude that "the Falklands crisis merely served to mask the effects of these macroeconomic changes and to give the false

impression that the revival of Mrs Thatcher's fortunes [resulted from] an uncontrived but well-managed foreign policy entanglement." When the economic indicators are properly allowed for, Mr Sanders estimates that the "Falklands factor" added only three points to the Conservatives' rating, and then only for May, June and July 1982.

One possible criticism of this analysis is that the Falklands war generally improved voters' sense of well-being, and therefore influenced the Gallup measure of financial expectations. The Essex team explored this; once again, they found they could explain consumer confidence without resort to the politics of the task force. It was closely linked to such factors as tax rates, interest rates, short-term working and spending on consumer durables. In the spring of 1982, all four were moving in the right direction.

A more fundamental criticism is that the Essex model might have worked in the run-up to 1983, but it may be less relevant to 1987 — or 1991. To coin a phrase, the future has yet to come; what we can do is look at how the model stood up to the test of this year's election. If we knew only what the economic indicators showed and how the model functioned, would we have predicted a recovery in Conservative support last autumn, followed by a surge this spring? The answer is emphatically "yes". Gallup's measure of consumer confidence, and the unemployment figures, both started improving last summer, and both showed sharp recoveries in the early spring of this year. Or take sterling: just as it fell by 10 per cent a year before the Tories' spring 1982 surge in support, so it fell by 7 per cent during the winter of 1985/6: in time for its economic stimulus to show through by the spring of this year.

So it goes with the other indicators: government borrowing (lagged by six months), interest rates and consumer spending. They all moved in the right direction at the right time for the Conservatives to reap the electoral benefit. By the same token, the Conservatives' downturns in 1981 and 1985/6 can be explained without recourse to the dubious psychology of mid-term blues: the economic indicators looked bad both times, and the Tories suffered.

We must be clear what this analysis does *not* show. It does not demonstrate that only economic indicators have any political effect: if Labour had had a different defence policy, or if the Alliance were more credible, or if the Tories had been led by a man, then one or both election results might have been different. The model offers no prediction for the division of the non-Conservative vote. Nor does it claim to be immutable for all time: different factors, such as the poll tax, might influence voters between now and 1991.

The betting must be, however, that voters' prosperity will continue to dominate political fortunes. In that case, the Tories' fate during the course of this Parliament will depend on much the same factors as it depended on during the last two.

By dispensing with the Falklands factor explanation of 1982 and 1983, the story of the last two elections becomes brutally simple. Twice the Conservatives have ensured that the right economic signals were sent to the electorate at the right time; twice they have obtained majorities of more than 100. Given the added bonus of being able to choose the date of the election, who is to say the Tories won't repeat the trick in four years time — unless a global economic crisis capsizes them?





## Falklands veterans run Gulf gauntlet

FIVE YEARS ago Peter Tully, cold, damp and terrified, lay huddled in a trench for three days as Mirages pounded his position near San Carlos Water in the Falklands.

Last week, Mirage jets attacked him once more. Sweltering in 110 deg F, Tully was this time on the bridge of a supertanker in the Gulf's 'Exocet Alley.' Thanks to his repeated Falklands strafings, he was steeled to cope with this surprise raid.

Tully, a former troop sergeant, is in the Gulf from choice. He is one of about 20 Britons employed on commercial contracts as 'safety advisers' aboard vessels running the gauntlet of attacks.

He is part of an elite team drawn from former members of the Royal Marines and the Special Boat Squadron, each battle-hardened in the Falklands. Their hard-won soldiering skills are now in demand in the Middle East.

Tully, 34, spoke to *The Observer* directly from his ship. Returning south down the Gulf, the supertanker had taken on a full cargo of crude at the Kharg oil terminal four days earlier.

'The first we knew was that the fire tugs around us were being put on alert by radio.

'In the darkness, three Iranian positions laid down very heavy tracer fire. We realised this was a bombing run. The tracer fire followed the aircraft for five minutes. Several ground-to-air rockets were also unleashed against the jet, but there was no hit.'

From the vessel's bridge, the intruder—almost certainly an Iraqi air force Mirage F1—could not be pinpointed. But its lethal ordnance was.

The ship is a supertanker of more than 250,000 tonnes, crewed by European officers and Filipino seamen. For security reasons, its name and location are being withheld.

Behind the operation is Defence Analysts Ltd, of Wincanton, Somerset. It claims that a Falklands veteran aboard can thwart tanker attacks, or, if that fails, help to restrict fires and secondary explosions.

After a tanker owner comes to Defence Analysts, his vessel is decked out with devices to reduce the chance of attack. Chaff 'guns' to decoy missiles may be installed and steps are taken to reduce the radar signature. Then the safety adviser is put aboard—unarmed. The firm claims it has saved insurers millions of pounds.

It is headed by two senior Falklands veterans—Commander 'Sharky' Ward, who

planned the Harrier jets campaign, and General Sir Jeremy Moore, who led the land forces.

Commander Ward is outspoken in his criticism of the American escort strategy. 'It's pure John Wayne come-and-get-me stuff,' he claims.

'Taken out of their design environment, modern American warships are ill-equipped to meet the threat posed by something as simple as a *dhow* loaded with explosives. Our way keeps the political temperature lower and is, we believe, simply more effective.'

■ Gulf crisis, pages 10 and 11.

# ROYAL AIRFORCE NEWS

July 24 to August 6 1987

July 24 1987



SGT AIRDOG Jaeger became the Station Mascot of Mount Pleasant nine-months ago. Jaeger, who has now reached the grand old age of nine, arrived at Mount Pleasant as a young police dog in late 1982. He has spent all his working life in the Falklands.

Jaeger took the honours by appearing on the Queen's Birthday Parade in Stanley on 21 April 1987. Recently, in May he also had the privilege of meeting Air Vice-Marshal D. B. Leech CBE, RAF, Commandant General and Director General of Security (RAF) during his recent visit to the Station.

WIDE VENTURE ARRANGEMENT

## New Dornier unveiled

THE inaugural flight of MAFF's new Dornier 228 reconnaissance aircraft was due to take place today (Friday) at the premises of Franks, Bourneville, the company which will be operating the Dornier for the ministry.

The proceedings will be attended by senior Ministry of Agriculture officials. The aircraft was due to arrive at the airfield at 11.30 am.

This is being followed by a flight over the surrounding area, where taking camera and survey pictures would be followed.

Fishing News  
July 24 1987

## Falklands vessel order possible

J. MARR (Fishing) Ltd. of Hull is likely to make a decision later this year on ordering its first new ship to fish off the Falkland Islands.

A spokesman for Marr said: "It is a paper project at present and there is nothing concrete yet." However, a new vessel is under very active consideration.

Marr (Fishing) Ltd. is looking at building a ship as a joint family venture with Andrew Marr International which broke away from the Marr family business earlier this year.

J. Marr (Fishing) Ltd. has been saying for some time that it wants to build new vessels

to take part in the Falklands fishery. The company has extensive experience of trawl fisheries and is fast gathering information about squid-jigging through its joint ventures with the Japanese and Taiwanese.

"The next stage is to get a ship down there which can trawl as well as jig to operate year-round. That's the current thinking," said a spokesman.

J. Marr (Fishing) Ltd. has shown interest in obtaining a specialist squid-jigging ship, but has made it clear that it will only do so if it can get access to the Japanese market for squid. Access is at present through the joint venture arrangement.

## New Dornier unveiled

THE inaugural flight of MAFF's new Dornier 228 reconnaissance aircraft was due to take place today (Friday) at the premises of Fraviation, Bournemouth, the company which will be operating the Dornier for the ministry.

The proceedings will be attended by fisheries minister John MacGregor, who was due to unveil the new aircraft at 10.30 am.

This is being followed by a flight over Bournemouth Bay, where fishing vessels and fishery protection vessels will be stationed.

Daily Mail  
22 July 1987

## Race-away Hogg wait for a move

IS ANOTHER bidder making ready to top the Trustee Saving Bank's bid of 600p a share for Hogg Robinson, the insurance brokers, travel agents and estate agents?

Hogg shares jumped 11p to a peak 636p in a dull market yesterday, with one eager buyer at 640p.

The Hogg board hope shareholders will back their plan to demerge the business into two companies on Monday next, though the TSB want to stop this — and then split the business in two themselves.

It seems sensible to vote for the demerger, and to see what the TSB do then — or if a mystery bidder appears. Either way, the TSB tactic of listing seven stockbrokers who said Hogg shares were worth under £5 has misfired.

Those brokers now say nobody should rush into the TSB's arms, and several think that the TSB might be persuaded to bid more than £6 a share. Some brokers — notably at Morgan Grenfell — have been saying Hogg are worth £7 or more on a bid all along.

MICHAEL WALTERS

## Bravery bonus for a hard-up Falklands hero

A COLLECTOR took pity on a young Falklands war hero yesterday and paid an extra £500 for his George Medal at a Christie's auction.

Able Seaman John Dillon, 23, needed to sell the medal — one of only three awarded in the war — to pay for an electricians' college course and to buy a car to help start a business.

Christie's expected it to fetch £5,000. But collector William Graham was the only bidder and got it with an opening offer of just £2,200.

But later Mr Graham, who had been ready to pay twice as much, added £500 to the price. Christie's also took pity and said they would forgo their £200 commission.

### Sorry

A spokesman for Christie's said: "I think everyone felt sorry that this war hero had to sell his medal."

Christie's could not account for the lack of interest from professional dealers.

Before the sale, Mr Dillon said: "It's the citation that means something. That's the important thing because it describes what I did."

Mr Dillon of Whetstone, north London, was 18 when his ship, HMS Ardent, was shelled. Despite being injured he freed a



**HERO: John Dillon**

trapped seaman and pushed him through a hole in the vessel.

He helped the man in the water, although he had no life jacket, and was said to have put the other man's safety before his own.

Mr Graham has 82 medals from the Falklands Campaign.

He said: "I think it's sad that it had to be sold but we, as medal collectors, are able to keep the medals safer."

"It is more important to keep these medals safe and preserve them for the nation," said Mr Graham, 62, a former paratrooper.



**BARGAIN: William Graham and the medal**



## Hero's medal sorrow

A COLLECTOR who took pity on a Falklands War hero paid an extra £500 for his George Medal yesterday.

Able Seaman John Dillon needed to sell the medal—one of only three awarded in the conflict—to help start a business.

Auctioneers Christie's expected it to fetch £3,000-£5,000, but private collector William Graham found himself the only bidder and paid just £2,200.

Then Mr. Graham decided to add £500 and Christie's said they would forego their £200 commission, so Mr. Dillon, 23, of Whetstone, North London, received £2,700.

### Jacket

A spokesman for Christie's said: "I think everyone felt sorry that this hero had to sell his medal."

Before the auction, Mr. Dillon said: "It's the citation that means something. That's the important thing because it describes what I did."

He was 18 when his ship, HMS Ardent, was hit by Argentinian shells. He was injured, but moved a steel girder to free a trapped seaman and helped him in the water without a life jacket until they were saved.

## **Medal man helps a Falklands hero**

A SYMPATHETIC collector has given an extra £500 to a Falklands war hero for his George Medal.

Able Seaman John Dillon, 23, of Whetstone, North London, needed to sell the medal, one of three awarded in the conflict to pay for an electrician's course to set up his own business.

Christie's, the London auctioneers, expected it to raise up to £5,000, but when it was knocked down to hotelier William Graham for only £2,200 he offered an extra £500. Christie's also waived their £200 commission.

**Falkland medal  
sold for £2,000**

A FALKLANDS war hero sold his George Medal yesterday for £2,000, half the price expected.

The buyer, William Graham, gave £500 extra to John Dillon, aged 24, from south London, who was awarded the medal for rescuing a fellow sailor from the burning HMS Ardent.



BID: Dillon

## A hero's sad sale

THERE was only one bidder when Falklands war hero John Dillon put his George Medal up for sale.

Ex-sailor John had hoped to raise £5,000 to get him started in business as an electrician.

But the sole bid by collector William Graham at Christie's was for £2,200.

Later Mr Graham added £500 to the price and Christie's said they wouldn't charge a commission.

## Chime and a half

The government's Property Services Agency must regret giving a quote to Admiral Christopher Layman, our commander in the Falklands, for installing door bells at his house there. Its estimate was £1,400. Layman was so shocked that he called in the Royal Engineers who, he told the PSA, took two hours and used parts costing £8. Christopher Thomas, the PSA's man in the Falklands, disputes the exact figures — claiming the work took two days and the parts cost £24 — and insists that the admiral originally wanted grander chimes. Too busy to examine the job before pricing it, the estimator had reckoned it was four days' work. But the fundamental explanation is that the Property Services Agency assumes the same labour rate for every job, from changing a light bulb to building a runway — making small tasks appear expensive and large ones cheap. Senior officers are wondering if the admiral has not stumbled on a flaw in the agency's methods so serious as to render them quite useless for deciding whether a job is worth doing.

The Guardian  
20 July 1987



Falklands bound . . . Len Riley alongside the old Arctic Freebooter.

## Picking up in the Falklands

By Simon Beavis

The Humberside marine engineering industry, which was virtually wiped out by the Cod War in the early 1970s, is picking up the benefits of the first major foray into deep sea fishing off the coasts of the Falkland Islands.

SWB Fisheries - a joint venture between the Falkland Islands Development Corporation (FIDC) and the Hull-based fish processing and shipping group Witte-Boyd - have won a £1.4 million contract to buy and refurbish a trawler for squid fishing of the Falklands. The deal will create 142 jobs immediately with more expected to follow if plans to expand the Falklands deep sea fleet come to fruition.

The first jobs include 100 construction engineers to refit the ship, which was converted from

a trawler and put into service off the Falklands by the Ministry of Defence on submarine escort duty, and the 42 crew to man the vessel. But Shiptech, the Hull firm of marine architects responsible for redesigning the trawler, is hoping to take on apprentices if further orders from the Falklands come in.

Work on the Arctic Freebooter, soon to be relaunched as The Lord Shackleton, began in April. It is expected to be completed in August and to reach Port Stanley by October, supplying squid to the fast growing market so be found in Japan and Spain.

The deal means a welcome return of work and jobs to Humberside. The region's 200 deep sea trawler fleet was all but killed off by the Icelandic Cod War in the seventies leaving only half dozen trawlers in busi-

ness, a spokesman said yesterday.

Commenting on the deal, Simon Armstrong, general manager of the FIDC, said: "It is expected that the Falklands will become a major international fishing zone and the Corporation hopes to see more UK orders to supply the Falklands fleet."

Shiptech is convinced that The Lord Shackleton will be one of the world's most sophisticated fishing, factory processing and freezing vessels and that the order will secure the firm's technological base on Humberside. The move could mean more jobs managing director, Len Reilly, said "in anticipation of further Falklands orders, we are now hoping to take on apprentices, which is something we have never been able to do in the past."



## New life for old Hermes

by John Vincent

HMS Hermes, one of the Royal Navy's most famous ships, leaves Britain this week for a new life in India.

The 29,000-ton commando carrier - Task Force flagship in the 1982 Falklands War and the oldest ship in the British fleet - will sail from Devonport for Bombay on Thursday.

Hermes was handed over to the Indian Navy in a £60 million deal in May and has been renamed INS Viraat.

Hermes last sailed with a

full crew in November 1983 before becoming a training ship. Laid-down as far back as 1944, she was launched by Lady Churchill in 1953 and commissioned in November 1959.

A navy spokesman at Plymouth said: "It will be a sad day for everyone when she finally leaves British shores. She has been a vital part of the fleet for nearly 30 years and holds fond memories for many current and ex-sailors. Although she is old, she is fighting fit and there is plenty of life left in her yet."



*HMS Hermes - sails for India on Thursday*

## Soldier shot on his first patrol

A BRITISH soldier was shot dead yesterday only hours after arriving in the province.

Last night Ulster Secretary of State Mr Tom King called for a report into claims that the sniper's single bullet had come from south of the border.

Twenty-one-year-old Lance Corporal Thomas Hewitt, from Botcherby, near Carlisle, was shot in the village of Belleek, County Fermanagh.

He was on his first patrol after arriving in Ulster on Saturday from Osnabruck, West Germany, where his regiment, the Green Jackets, is based.

Last night Mr King's office had already been in contact with the Irish authorities.

### Haven

Local Ulster Unionist MP Mr Ken Maginnes condemned the killing and called on the Irish Government to step up its border security measures.

A spokesman for the Rev. Ian Paisley's Democratic Unionist Party, said: "The other side of the border is a haven for terrorists."

● A British soldier was killed in the Falklands when a Land-Rover overturned on an icy road at RAF Mount Pleasant. He was Signaller Bradford Cooke, 23, from Cheltenham.

## Falklands hero's new challenge

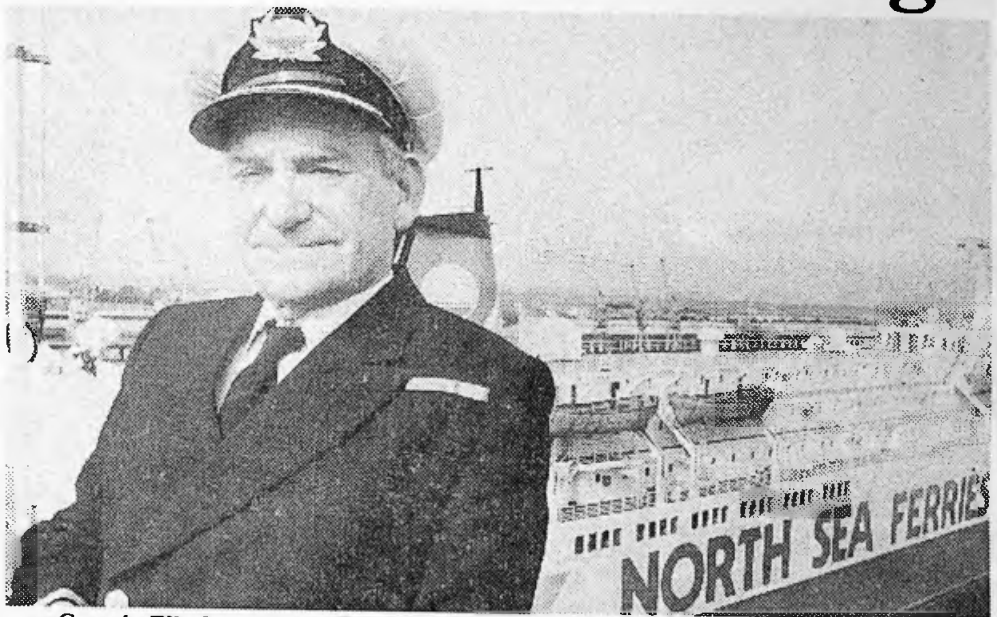
By Edward Townsend  
Industrial Correspondent

Captain Don Ellerby, decorated veteran of the Falklands conflict and a leading figure in the British merchant marine, is unwittingly at the sharp end of the hoped-for recovery of state-owned British Shipbuilders.

Capt Ellerby is the master of the 31,000-tonne *Norsea*, the biggest passenger ship to be built in Britain since the *QE2* and a floating advertisement to the world's shipowners that Britain remains a significant, if much diminished, ship-building nation.

From skipper of the smaller ferry *Norland*, requisitioned as a troop carrier, Capt Ellerby — subsequently made a CBE — now commands the *Norsea*, owned by North Sea Ferries and the latest subject of pride on the Clyde. She was built at Govan Shipbuilders for North Sea Ferries, jointly owned by P&O and Nedlloyd of Holland, and plies the Hull-Rotterdam route with up to 1,250 passengers and 850 cars.

For British Shipbuilders, which on Friday will announce a trading loss of about £140 million for 1986-87, the *Norsea* is a reminder of past greatness as well as an exam-



**Captain Ellerby: commanding *Norsea*, British technology's floating 'advertisement'**

ple of what modern, high technology, computer-assisted design facilities can produce.

Mr John Lister, a former ICI director and now BS chairman, is expected on Friday to stress that the BS losses cover a high proportion of contingency against default by purchasers.

North Sea Ferries paid £40 million for the £50 million *Norsea*, the gap being bridged

by the Government's ship-building intervention fund, and BS will be lucky to break even on the deal.

British Shipbuilders now operates from just five sites of which only three are shipyards. At Govan, 600 workers are laid off on 75 per cent pay while the yard waits to start work on the first of two container ships ordered by China.

The company is now favourite to win a £20 million order for a sophisticated 75,000-tonne passenger and cargo ferry from the Government of St Helena in the south Atlantic.

About five yards, including the privately-owned Hall Russell and Swan Hunter, are competing for the contract on which a decision is expected in September.

### **Trawler netted**

THE Falkland Island Development Corporation has purchased a deep sea factory trawler from Hull-based shipping company Boyd-Line Management Services for £1m. The corporation claims that the deal will create 142 new jobs in the Humberside marine engineering industry.

Recommissioning the ship, which was used in the Falklands conflict for submarine escort duty, will cost £400,000 and employ 100 workers. In addition, the ship will carry a crew of 42.

## Argentine trade 'step nearer'

By Cristina Bonasegna  
in Buenos Aires

A GROUP of 12 British businessmen, who visited Argentina last week to explore possibilities of re-establishing normal trade between both countries, has returned optimistic despite Argentina's administrative obstacles to British products.

The private trade mission, organized by the Latin American Trade Advisory Group of the British Overseas Trade Board, is the first since the Falklands conflict in 1982.

The businessmen said that they had neither requested a meeting with, nor had they met, Argentine government officials. But they received a warm reception from private businessmen in Argentina also interested in re-establishing normal trade.

### Strong will

The mission president, Mr Paul Eadie, chairman of Eadie Brothers, a textile machinery manufacturing firm, said before leaving that they were optimistic Argentine businessmen's strong will to find a solution "will sooner or later bear fruit".

In July, 1985, Britain lifted a ban on Argentine imports, imposed during the conflict. Early last year Argentina discreetly began to relax restrictions on British imports, but quietly re-imposed them after Britain announced a fisheries exclusion zone around the disputed Falkland Islands last October.

Daily Mail  
20 July 1987

# Friendship that hasn't Survived

THE close friendship between ace wildlife photographer Cindy Buxton, daughter of Anglia TV chief Lord Buxton, and her assistant Annie Price has hit the rocks. Tough, resilient Cindy, 36, and tidy

farmer's daughter Annie, 38, became inseparable after meeting at an old girls' reunion at their Essex convent school. Annie had just divorced her Army officer husband, after 'two stormy years of marriage', and found Cindy's support a great comfort.

The two have spent nine years on worldwide adventures for the Survival programme; and they made headlines during the Falklands conflict when they were rescued by Royal Marines from remote South Georgia, where they had been filming King Penguins.

Between assignments, they shared a basement flat in Fulham; and all seemed well between the two when they returned in May from New Zealand, where they had spent a year sharing a caravan while filming a Survival Special.

But now the intrepid Cindy has returned Down Under without Annie, to continue another year of filming wildlife. Miss Price remains in England, while in her place with Cindy is a new assistant, an Irish girl called Frances Furlong.

A colleague of Cindy's tells me: 'They worked together very well and were very close, so the end of the partnership is rather sad. Annie said she was breaking away for personal reasons — she wanted to spend more time with her mother.'



Cindy and Annie: Broken up after nine wild years

Picture: Graham Trott



# Falklands squid 'queue for jigs!'

## — MAFF inspector reports on developing fishery

THE Falkland Islands are one of the last truly wild, pollution-free zones that are offering huge fishing potential.

From the photographic evidence Colin George has returned with, one can clearly see that the fishing problems around the Falklands are not based on searching for the shoals, but more on finding enough processing time to deal with the catch.

Catches of 50 tonnes of squid can take just a few hours by a well rigged jigging boat and the trawlers are equally successful.

Mr. George explained: "The potential is enormous down there and the start of this management programme and licensing scheme is well-timed. The skippers taking part from Japan, Poland, Portugal, Korea, Taiwan, Spain etc. are behind this conservation zone scheme. They want their fishery to continue and they have given us every assistance possible."

"The zone around the Islands has a radius of 150 miles and during the summer (October to July) it is split north and south by a dividing line of 51 deg. 30 minutes."

"North of that line is a trawling fishery for *Loligo*



PLYMOUTH based MAFF district inspector Colin George (left) has just returned home from the Falkland Islands where he took part in preliminary management and policing of the newly formulated Falklands interim conservation zone. *Fishing News'* PHIL LOCKLEY asked him how the system is working.

squid, rat tailed hake and several other prime species.

"During the winter period the dividing line runs north to south and similarly the major fishing methods are separated east to west."

"Each vessel has to be licensed and the licence cost runs up to a maximum of £80,000 per boat for each period. The squid jiggers and trawlers are boats around 150ft. in length and they supply mother ships that anchor in the Falklands."

"Transshipping is also checked and charged. Each transshipping can cost as much as £1,500 and as many

as 80 factory ships are always present in the Falkland Islands Sounds," said Mr. George.

This influx of funds to the Falklands government has given great importance to the fishery. The MAFF involvement has been to supply several inspectors to start the task of management and now the Falklands government has taken over, with former MAFF chief inspector of fisheries Peter Derham in charge as the director of fisheries.

Two ships have gone to the Falklands to police the area. They were taken over by J.



Transshipping squid in Berkley Sound. As many as 80 factory ships are off the Falklands at any time.

Marr & Sons and are now controlled by the Falkland Islands government. The ships are *Falklands Desire* (ex-*Southella*) and *Falklands Right* (ex-G.A. Reay).

There is a third policing vessel, *Warra*, which looks after the transshipping arrangements in Berkley Sound.

In addition to the ships policing the area there is a Dornier aircraft.

Mr. George said: "The ships *Falklands Desire* and *Falklands Right* are superb sea boats. Of course as ex-trawlers they are well suited to the job and are manned with ex-fishermen who provide an excellent service."

"Both ships have a dual role. Firstly to police the waters and secondly to collect statistical data on the stocks. It is hoped that the first stock assessment will be released soon."

"The basic quarry around the Falklands is squid and there are two types. *Ilex* is a red squid that is caught using jigs. It has a phenomenal growth rate and lives for just 18 months. It has a mantle length between 12in. to 18in. and is easily caught."

"The jigging boats hold to a large sea anchor and have

around 80 deck powered jigging machines. The jigging machines can be controlled from the bridge and one man will look after eight to 10 machines on deck. The jigging boats are often seen working in very heavy fishing, when it seems the squid are queuing up to get on the jigs!

"The squid fall off inboard and are channelled through to the processing rooms where they are soon plate frozen. The jigging boats will not fish on less than 10 tonnes per day, but this low catch is very rare. Their usual day is spent processing and the night is spent jigging under very powerful halogen lights. Once their holds are full, they return to the reefer ship and off-load."

"Critical jig fishing is very interesting to watch. They have to use the jigs in the shadow area, — not in direct light from the halogen lamps — and the squid shoals vary in depth throughout the night."

"The break-even point of 10 tonnes per day (night) is understandable because the Japanese, for instance, steam 45 days to get to the squid fishery."

"The trawlers search for

*Loligo* squid (similar species to our own) which do not take jigs. They also hunt rat tailed hake, blue whiting and grenadier. We have seen the recently purchased UK boat *Fishing Explorer* at work.

"We have seen as many as 100 to 150 jiggers and trawlers on the grounds at any one time and of course the boats are generally much larger than our vessels."

"The jiggers will work in winds up to gale Force eight but over that there is too much tangling."

"The South Atlantic weather is very unpredictable. They say that the Falklands seas can show four seasons in one day and I can confirm that tale."

"Visibility at sea is often over 40 miles and the water clarity is tremendous," said Mr. George.

"The Falklands people generally welcome the fishing activity."

"Their main income is from sheep farming and that is a problem; the local people already have jobs and it is very difficult to find labour for the fishing industry."

"The total population is only around 2,000 and the Falklands is quite large in proportion."

## Anxiety at Falklands failures

THE Ministry of Defence has learned rapidly from most of the lessons of the Falklands campaign, says an MPs' report out yesterday.

But the all-party Commons Defence Committee said there were "shortcomings and failures" in equipment and performance in the South Atlantic and they single out Navy fire-fighting gear and techniques for particular criticism.

The report — *Implementing the Lessons of the Falklands Campaign* — highlights two potential problems for the future, a possible shortage of merchant ships to assist the Navy and the low priority given to joint warfare techniques.

17 JUL 1987

## Falklands lessons 'would be costly'

BY LYNTON McLAIN

ENDING ON conventional defence would have to rise if all the lessons from the Falklands conflict were put into effect and all shortcomings remedied, the Commons defence committee said yesterday.

In a report on implementing the lessons of the Falklands campaign, which started in the spring of 1982, the committee said there were some serious deficiencies in the performance of equipment and systems used in the conflict, although no system proved a total failure. The committee was concerned that, as time elapsed, "the urgency of remedial action to deal with the problems encountered in the south Atlantic may diminish."

The report is highly critical of the effect on the capability of armed forces of the Government moratorium on defence spending in the latter part of

1980-81. "The moratorium prevented or delayed improvements to rectify known weaknesses; it led to a backlog in repairs and it disrupted the purchase of spares. It was potentially very damaging to the readiness of the armed forces."

It was only the urgency stimulated by the campaign and the long voyage to the Falklands that enabled some deficiencies to be made good.

"It is important that ministers and officials recognise the likely impact of cost-cutting exercises, not least those which masquerade as the management of the defence budget," the committee said. "Relatively small economies may have a disproportionately large effect on capability and readiness."

The Royal Navy's air defences and fire and battle damage control on board ship particu-

larly concerned the committee. Steps were taken during the conflict to improve naval air defence, but the committee said it was still concerned at the apparently low priority given to damage control.

The committee found evidence "of not just one or two shortcomings in fire damage control, but of many, from ship design to on-board maintenance of essential fire fighting equipment." Fire prevention, fire and battle damage control and survivability must be given a high priority in future ship designs, the report says.

In an analysis of the effectiveness of air defence in the Falklands campaign, the committee concludes that "economy in air defence of ships may result in the unnecessary loss of a ship, or in two ships having to be used to do the work of one is clearly false economy."

The committee welcomed plans to improve the Sea Dart anti-aircraft missile and to install the vertically launched version of the Sea Wolf anti-missile missile on warships. "We also hope to see rapid and widespread introduction of modern effective close-in weapon systems."

About a quarter of the British Aerospace Rapier missiles fired in the Falklands conflict "went out of control due to equipment failure, and of the remaining missiles fired, roughly one third scored a hit," the committee said.

The committee was concerned that "at times of financial stringency, it is tempting to make savings by trimming around the edges."

Implementing the lessons of the Falklands campaign, House of Commons defence committee, HMSO, £8.60

**MPs' report says Navy went to  
war with fire risk furnishings**

## Falkland troops endangered by 'peace' thinking

By John Ezard

An ingrained "peace-time" attitude of mind, which led the Royal Navy to send 4,500 troops into the Falklands conflict with inflammable foam mattresses, is revealed in an official report today.

Rapid action had to be taken to replace them in the middle of fighting, according to the Commons select committee on defence. The reason was the fire which swept through HMS Sheffield, the first British ship lost in the 1982 campaign.

In a 100-page report, the MPs said it was understandable that a long period of peace should have caused the Navy to favour comfort over safety and durability.

Foam mattresses were introduced in the 1960s, but as a result of tests in 1973 they were encased in flame-resistant cotton covers. However, "the response to the inflammable properties of the Royal Navy's foam mattresses proceeded at a leisurely pace," the report says.

"It is perhaps a little surprising that tests were not adequately carried out before the introduction of the mattresses throughout the fleet — and more surprising that the 1973 tests did not indicate a need for immediate remedial measures."

Instead, five years passed before further safety tests indicated that the foam versions should be replaced with interior-sprung mattresses. The replacement programme was not to start until 1982-83, a timetable overtaken by the outbreak of the conflict.

"After the loss of HMS Sheffield, however, it was put into immediate effect," the committee said. "During the campaign some 4,500 interior-sprung mattresses were issued to ships that

went to the South Atlantic. All ships that have subsequently served there have been fitted with them."

The all-party committee suggested the fact that sprung mattresses cost at least six times more than foam may have played some part in the previously slow response.

The committee discounted press reports that inflammable cabling was a cause of the fire and smoke which spread through vessels which were hit. However, it found that the rupturing of a fuel tank sited high on the ship contributed to the blaze which reduced HMS Sheffield to a burnt-out hulk, killing 20 men.

Although the Exocet warhead did not explode when the missile struck, heat generated by its impact caused its unconsumed fuel to start smoking. This was rapidly superseded by smoke from the fuel tank, which immediately ignited.

Design precautions to avoid radioactive contamination spreading during a nuclear war have emerged as a reason for the way air-conditioning rapidly spread smoke through the ships. The report says that Royal Navy ships are not zoned into compartments. This is because the interiors are meant to be sealed off to counter the threat of radioactivity.

The committee concluded that the Falklands campaign broadly demonstrated that Britain's defence systems were effective. "We continue to be concerned at the apparently low priority damage control was accorded, but welcome the steps the Navy has since taken."

*Implementing The Lessons of the Falklands Campaign, House of Commons Paper 345-1, Stationery Office (£8.60).*

# Lessons of Falklands war will push up spending

SPENDING ON conventional defence would have to rise if all the lessons of the Falklands war were to be implemented, according to a report on the 1982 campaign published yesterday by the House of Commons Defence Committee.

Highlighting several serious deficiencies in the equipment used in the South Atlantic, the all-party committee's report says the lessons of the campaign have, on the whole, been rapidly absorbed by the Defence Ministry.

"We accept that improvements in capability have to be set in the context of available resources but we believe that, in many of the areas we have identified, worthwhile enhancements can be obtained for relatively little outlay," the report states.

"We remain concerned that as time elapses the urgency of remedial action to deal with the problems encountered in the South Atlantic may diminish."

The committee of 11 members began its investigation in January, 1984, under the chairmanship of Sir Humphrey Atkins. Mr Michael Mates took over as chairman in January.

## Scathing comment

The communications and intelligence equipments in use during the campaign are described in the report as "the Cinderella" of defence procurement. And in a scathing comment on electronic warfare capability, the committee says it was difficult to avoid the impression that British forces have fallen behind contemporary technology.

Criticisms in the 100-page report reflect in no way on the significant achievement of the members of the task force and of all those who contributed to

By Air Cdre G.S. Cooper  
Defence Staff

their success, the committee emphasises.

In seven weeks a force of 28,000 men and more than 100 ships had been assembled, sailed 8,000 miles, effectively neutralised the Argentine navy and fought off persistent and courageous attacks from combat aircraft which outnumbered its own by more than six to one.

The task force then put 10,000 men ashore on a hostile coast while under threat of heavy air attack, fought several pitched battles against an entrenched and well-supplied enemy and brought them to surrender within three and a half weeks.

"The fortitude, bravery, ingenuity and professional skill of those responsible for that achievement is beyond praise," says the report.

"The implementation of appropriate lessons learned in such a conflict is not only a matter of prudent defence policy"; it is also the complement to and support of British forces."

Argentine forces sank six British ships and shot down 22 aircraft. Another 12 aircraft were lost through accidents during the operation.

In the case of aircraft claimed destroyed, no attempt had been made to reconcile the discrepancy between the British total of 133 and the figure of 102 admitted by Argentina. In the particular case of the 72 Skyhawk and Mirage jets claimed shot down, post-war reports from Argentina admitted only 35.

"There seems little to be gained by detailed examination of such discrepancies," says the report.

No system proved a total failure, although some important systems showed themselves to be less than ideal. The serious deficiencies that most concerned the committee were in naval air defence and fire and battle damage control in ships.

The moratorium on defence spending in 1981 was potentially very damaging to the readiness of the Armed Forces, the report adds. "It is important that Ministers and officials recognise the likely impact of cost-cutting exercises, not least those that masquerade as the management of the defence budget."

The report welcomes steps taken to improve the self-defence of RFA vessels, the acquisition of a new military satellite, the ending of uncertainty over requirements for airborne early warning systems and support helicopters, the updating of Sea Wolf to counter the anti-ship missile threat, the decision to give Sea Harrier an interceptor role, the fitting of anti-ship missiles and lightweight torpedoes to RAF Nimrods and the extension of the RAF's air-to-air refuelling capability.

But the committee expresses concern about Britain's ammunition stocks. "If the financial constraints are such that the UK cannot afford to buy the ammunition necessary to meet likely rates of usage, that fact should be faced rather than brushed aside."

The committee adds: "We believe that a true out-of-the-Nato-area capability should be retained."

## £47,500 damages for asbestos man's widow

The widow of a man who contracted an asbestos-related disease when he went to work at 14 was awarded £47,500 agreed damages yesterday.

Mr James Harvey, 60, a builder, who spent two years sweeping up asbestos dust in a factory, died a lingering, painful death, the High Court was told.

Bestobell, of Slough, had denied liability, but an insurance company was paying the compromise sum to his widow, Ann, of Littleworth Road, Burnham.



# A history lesson for Whitehall man

By FERDINAND MOUNT

**T**HE RECESSION is at last officially over. Britain's factories are now producing more than at any time since 1979. True, the latest figures, those of May, are still a percentage point or two short of the peak reached in that year, but by this month they may well have surpassed it. Yesterday's further fall in unemployment brings the reduction over the past year to 324,000 the biggest fall on record.

That will not put an end to the political argument. Keynesians and growth-mongers will claim that production today ought to be far higher than it was eight years ago. Government supporters will retort that these days "manufacturing" does not include everything that used to go under that heading, since so much sub-contracting is now classified with "services"—which have left their 1979 performance far behind.

But the layman will, I think, accept this measure as a fair-ish approximation to the end of a chapter as extraordinary as any in our peacetime history. After all, it includes the Winter of Discontent, the bitterest strike in 60 years, the worst civil disturbances since the Gordon Riots, the deepest slump for half a century, the jump in unemployment from under one million to over three, the dive in inflation from over 20 per cent to under three, the recapture of the Falkland Islands, Mrs Thatcher's three election victories, the split in the Labour Party and the formation of the SDP, to name but a few. To say that these years have not been dull is to carry even British understatement a bit far.

Any reasonably curious person would be interested to know how the government machinery had stood up to the strains and knocks of these gruelling years, and to find out which bits of it fell apart under pressure, which bits muddled through. The coming generations of politicians, civil servants and industrialists will surely want to

know what it was like, what mistakes to avoid, what rules of thumb to follow.

Coming generations are likely to be disappointed. At the very least, they will have to wait. For Whitehall does not go in for flagellation. If pressed to examine its own performance, its conclusions will usually be like those of Lord Franks's report on the Argentine invasion of the Falklands: on the one hand, the Government was superbly briefed on the situation; on the other, it could not possibly be expected to foresee what would actually happen.

The trouble is that Whitehall has no collective memory of recent events, and politicians' memoirs are certainly no substitute for a reliable critique. The civil service is in fact rather like one of those old Hollywood films about amnesia, in which Cary Grant, although as courteous and well-groomed as ever, can apparently remember nothing about the day before, until some unexpected shock in the third reel brings it all back. In Whitehall's case, the public amnesia lasts 30 years. Even more crippling than the Thirty-Year Rule is the convention which bars Ministers from looking at the papers of their predecessors from a different party.

Yet we do not really need access to Cabinet papers to conclude that government in Britain does seem to react terribly late, prefers to avoid confronting unpleasant prospects, and clings to wishful forecasts. The politician's natural optimism tends to collude with the civil servant's inclination to avoid trouble and so to present options to his political master in a reassuring, unemphatic style. The bland leading the blind, in fact.

Ministers are quite entitled to expect praise for having helped to

create the conditions under which Britain has been transformed from a debt-laden, sluggish country into a creditor nation with economic prospects which seem to be improving all the time. But that does not mean we should glide over the less glorious parts of the story, since so many of them are recurring features of the system which show no signs of fading away.

The spectacular forecasting errors of government are almost invariably errors of optimism. Labour's "Plan for Coal" (1974) aimed for 150 million tons a year by 1985. When the New Strategy for Coal was published in 1985, the best British Coal could hope for was 90 million tons a year. In 1973, the Conservatives' Ten-Year Plan for steel aimed to raise production to 36-38 million tonnes a year. By the early 1980s, British Steel's capacity was down to 14 million tonnes and actual production down to 10 million.

Even where reasonably accurate forecasts are available, ministers have usually been reluctant to take much notice of them if their findings were unwelcome. The Manpower Services Commission's longer-range forecasts for unemployment were not far out for most of the 1980s, but the Cabinet was woefully slow to act on them until the grim trends became unmistakable.

Preparations for the "worst-case scenario" have been mostly conspicuous by their absence. It took not one but three strikes by the National Union of Mineworkers before a Conservative administration built up adequate coal stocks at the power stations.

Mr Michael Heseltine wrote in his recent book that "the inner city riots of the early Eighties took almost everyone by surprise. Politicians live very much for the day. Yesterday has gone and tomorrow



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can with luck be put off." Yet the Brixton and Toxteth riots of 1981 had been preceded by the St Pauls riots in Bristol a year earlier.

The most painful example in front of us now is the appallingly long time it has taken the Government to face the corrosion of the State schools. Almost all the problems were first diagnosed by the Black Papers at the end of the 1960s and ventilated by Jim Callaghan in his Ruskin College speech of 1976.

The contrast between the methods of a successful firm—its brisk response to events, its bleak realism—and the slow turning time, the slack reflexes, the Micawberish optimism of British government could scarcely be sharper. This is most dramatically visible when government removes some restrictions which have been hampering business. The moment Sir Geoffrey Howe lifted exchange controls, British firms started building up the huge portfolio of overseas assets which have made this country the second biggest creditor nation, after Japan.

Several lessons for government can, I think, be drawn from this chaotic, sometimes stomach-churning, sometimes exhilarating decade. One is that the dangers of removing restrictions and controls always tend to be overvalued by government, while the benefits of letting private individuals and firms have a go are often still undervalued, even by this government. Another is that government likes to dabble in too many things, instead of concentrating its energies on one major problem at a time and not quitting until it is dealt with.

This is the great advantage of Mrs Thatcher being so notoriously blinkered; she runs straight at each fence. Another is that government tends to be too reluctant to insure against risks and undertake the cost of preparing for the worst eventualities. Nobody calls the Boy Scouts pessimists because they believe in being prepared.

# Press Cuttings

from Broad Street Associates THE BIRMINGHAM POST

17 JUL 1987

## Quick learners after Falklands

The Ministry of Defence has learnt rapidly from most of the lessons of the Falklands campaign, says an MPs' report published yesterday.

The all-party Commons Defence Committee said there were "shortcomings and failures" in equipment and performance in the South Atlantic.

## RAF lifts injured Soviet seaman off Falklands

From Andrew McEwen  
Mount Pleasant, Falkland Islands

Mr Nikolai Chumilkin was so happy to be alive that no one had the heart to remind him that Moscow has taken Argentina's side in the Falklands dispute.

His saga began in the icy seas off South Georgia two weeks ago and will end today at RAF Brize Norton, near Swindon.

Mr Chumilkin, a Russian seaman on a Soviet vessel fishing in waters disputed between Britain and Argentina, injured his arm in a trawl-wire accident. A Soviet surgeon amputated it, but he developed gangrene.

He was rescued by a Sea King

tency of Moscow's pro-Argentina stance on the Falklands. The Soviet Union last year signed a fishing agreement which implicitly accepted the Buenos Aires sovereignty claim. This was one of the factors which prompted Britain to declare a 150-mile fishing limit around the Falklands last October.

Since then Soviet trawlers have observed the limit but they have had the free run of British-owned waters around South Georgia, where the preliminary shots in the 1982 Falklands War were fired. Argentina also has a claim to South Georgia, but on much weaker legal grounds. Britain keeps a small garrison there to deter further incidents.

helicopter of the RAF's 78 Squadron at Mount Pleasant airfield and was in critical condition when he reached the British Military Hospital at Stanley. An operation by a British military surgeon undoubtedly saved his life.

Last night he boarded an RAF TriStar for Britain at Mount Pleasant. Military sources said he was being accompanied by an RAF doctor on the 18-hour flight. He will be put into the care of Soviet officials after he lands.

In the same hospital here, there is another Russian seaman, this one with a foot injury. In April, a Russian sailor with a bleeding lung was taken off a Soviet trawler and treated. The rescues have highlighted the inconsis-

Although the waters around South Georgia could be highly profitable, Britain has not declared a fishing limit and has made no effort to prevent Soviet trawlers from operating there. Part of the reason is that experience is needed in managing the Falklands fishing before attempting the more hostile waters 800 miles away.

A further argument is that the Russians are believed to have overfished the waters. Years of expensive policing might be needed to establish a viable fishing industry.

But, since the Falklands fishing zone is proving far more profitable than expected, British political attention is likely soon to turn to South Georgia's untapped resources.

### **Falklands air death verdict**

Leading aircraftman Paul Summers, a Falklands veteran, died when a Navy helicopter collided with an RAF plane and plummeted into the South Atlantic, an inquest in Oxford was told yesterday.

The accident, in which the other three Sea King crew were killed, happened because there was no air traffic control. A verdict of accidental death was recorded.

### War exercise planned

THE readiness of all three armed forces to take part in another war of the type fought in the Falklands will be tested in South-west Scotland from November 4 to 19.

About 20,000 men will participate in an exercise code-named Purple Warrior. Thirty-nine vessels led by HMS *Ark Royal* and HMS *Illustrious* and about 30 RAF aircraft including Tornados, Harriers and Phantoms, will be involved.

There will be amphibious landings on beaches off Loch Ryan, at New England in Arran, and at Ardnacross Bay in Kintyre.

## Falklands boom

# Islanders net a rich harvest in fishing zone

From Andrew McEwen, Port Stanley

A major economic boom in the Falkland Islands has been predicted by senior officials in interviews with *The Times*.

Mr Brian Cummings, Chief Executive of the Falkland Islands Government, said he expected a transformation on a scale not seen anywhere in the world since the rise of Arab wealth in the early 1970s.

Mr Simon Armstrong, General Manager of the Falkland Islands Development Corporation, said: "This must be the fastest-growing economy in the world because we are starting from such a low base."

The source of wealth is not oil — though large undersea

### ● Charges on trawler owners tripled the Falklands' budget ●

erves may exist — but fish. After 144 years as a backward colony rearing sheep and selling stamps, the Falklands look set for self-sufficiency.

Until Britain unilaterally declared a 150-mile fishing zone around the Falklands, the 2,000 islanders received almost no benefit from their richly-stocked seas. Foreign trawlers fished without control and the islands had no vessel of their own.

The Government is now taking stock of its first fishing season and has been startled by the results. Mr John Pollard, administration manager of the fisheries, estimated that £500 million of fish were caught between February and June.

If the money had passed through the islands, it would have been equivalent to a £250,000 turnover for every inhabitant. Only a fraction of that potential was tapped, but even so, charges imposed on trawler owners tripled the Falklands' expenditure budget from £7.3 million for 1986/87 to £21.9 million for 1987/88.

Until now, the prospects have been viewed with great caution because neither the islanders nor its British officials had any experience of managing a fishery.

To avoid raising hopes that might prove unrealistic, the fishing limit was presented mainly as a conservation measure. When Mr Gordon Jewkes, the Governor, asked the Executive Council of three whether it would be willing to commit £4 million to police the waters he told it there was no guarantee the costs would be covered by revenue. That was last October and the Government now acknowledges that the potential has been greatly underplayed.

Easily the largest earnings came from two species of squid, which Mr Armstrong described as "astronomically valuable", selling at up to \$2,500 (about £1,600) a ton.

There is no guarantee that squid will be caught in the same abundance in future, but

the Government believes that improved management of fin fish stocks and diversification into scallops, shrimps and crabs should ensure a substantial long-term income.

Confidence is so high that the development corporation is moving rapidly to develop a Falklands-based fishing industry. Fishing companies, including some from Britain, have been charged substantial fees to take a 49 per cent interest in each of 13 joint venture schemes.

If the islands' eight-man Legislative Council approves the ambitious plans about to be submitted to it, this will prove to be only the beginning.

Within months the islands could be embarking on plans to buy a large floating dock from the Ministry of Defence. Next year foreign fishing fleets would operate from Port Stanley instead of lying alongside mother ships and refuelling tankers anchored in a deserted bay.

A select group of island representatives have been given a foretaste of the plans. These include providing fuel, water, food and marine repairs for the fleets.

The £400-million Mount Pleasant airfield, built to enable the British garrison to be reinforced rapidly, would be used to fly in foreign seamen for crew changes.

Mr Pollard estimated that each trawler could save £200,000 or more by changing crews in Port Stanley instead of Montevideo as they do now. The influx of foreign crews would involve building dormitory facilities, hotels, restaurants and shops.

A consultation procedure has begun to establish whether the islanders will accept development on this scale. But whatever they decide,

### ● Fin fish stocks should ensure a long-term income ●

Government booklets describing sheep farming as the only major industry are out of date.

Mr Cummings expressed concern that farm workers now earning an annual wage often less than £4,000 might abandon the land in search of high wages in Port Stanley. There is also concern about increasing house prices and inflation.

Income tax, which at present reaches 50 per cent at £10,000 a year, is being urgently reviewed in the light of the high salaries to be earned.

Mr Terry Betts, aged 36, a local councillor, predicted that despite opposition from farming interests and some older islanders the expansion plans would be accepted.

He said that if the international community saw the islanders were capable of responsible management of a substantial resource, their status may improve.



## Falkland Islands are British by right

16 South Park West,  
Peebles,  
July 8, 1987

Sir, — Confident that in my letter of May 30 I had fairly put the case for Britain's continued support for the Falkland Islands Dependencies and their 2,000 inhabitants on moral grounds apart from other important considerations, I would be happy to leave it for others to judge.

However, it is apparent from Dr W. R. P. Bourne's somewhat intemperate response of July 2 that he is anxious to pursue the appeasement of Argentina for financial reasons. This is unfortunate at a time when there are signs of a lessening of tension between ourselves and our Argentine friends — witness today's news of a likely renewal of air-links.

With respect, Dr Bourne's dismissive reference to talks of human rights for the islanders as so much "humbug" really cannot be allowed to pass without question. Human rights are important even though they are denied to the majority of mankind around the world. It would be wrong for Britain of all countries to join in this denigration of the human spirit and if that is old-fashioned, so be it!

Dr Bourne urges we clear the islands of its people with "generous compensation" to come and live in Scotland, and so enabling Argentina's irrational claims to be met regardless of the precedent being set.

It is a point of view to which the good doctor is fully entitled, but he paints a gloomy picture

of our country where "even Scots themselves are refused the right to their own Government" forgetting that when asked only a few years ago two out of three either voted against such a proposal or just did not bother.

Once more the real cost of defending the Falklands against aggression, though admittedly high, is exaggerated. It is very unlikely that if Britain did renounce her rights to a presence in the South Atlantic there would be any savings by way of abandonment of the Army or RAF units involved and still less any decommissioning of the naval units which would be deployed elsewhere in the world. Such savings as there were would far more likely be used to bring about further reductions in income tax.

History records that the Falklands are British by right of discovery by John Davis as long ago as 1592 and the first landing was made by another from Britain, John Strong in 1690. Unlike the mainland of South America there were not natives to be deprived by incoming colonisers. Thus the islands are British by right of settlement and governance for the past 150 years, and more recently by resistance and defeat of occupation.

Right of self-determination of a free people to live under sovereignty of their choice was confirmed as recently as March 1986 by a Marplan poll which showed that no less than 94.5 per cent of its people wanted the islands to remain as they are under British sovereignty.

There must be doubt for the claim that "in fact Argentina appears to have a stronger claim."

Many will share Dr Bourne's obvious frustrations with Scotland's mass unemployment, declining industries and services after eight years of Thatcherism, but it is surely totally unrealistic to imagine it can all be put right by Britain selling out in the South Atlantic.

Hugh McCartney.

### Armchair critics

22 Links Terrace,  
Peterhead,  
July 8, 1987

Sir, — Ian T. Campbell (July 8) in his reply to my letter about the *Belgrano* makes the usual sort of evasive slur against those of us who dare question Margaret Thatcher's conduct during that unnecessary Falkland war — ie, we are "armchair critics." I'd rather be that than an "armchair warrior" any day.

I'm deeply grateful to Mr Campbell's efforts for us all during the Second World War. My family "did their bit" too but were in the same unfortunate position as Mr Campbell — they did as they were told without question as did the Germans to a greater extent.

"Armchair critics" perform a useful service — they don't let politicians get away with lies, evasions, half-truths, etc.

Mr Campbell would obviously be happy, using his argument, if a son of his met a particularly unpleasant death in order to let a Prime Minister indulge in role-playing and fantasy politics.

I wouldn't and I suspect that most of us wouldn't like to obey a "Fuhrer" or whatever without question.

Besides, in his letter, Ian Campbell hasn't answered any of my points which essentially revolve around the concept — why all the lies and cover-up?

Mrs Diana Gould, who managed to corner Thatcher on *Nationwide*, can't get much publicity down South for the recently published "Proceedings of the Belgrano Inquiry."

I am deeply grateful that *The Scotsman* doesn't take Mr Campbell's ethical standpoint of "silencing all criticism of the Great Leader."

Michael Ross.

44 Branziert Road North,  
Killearn, Stirlingshire,  
July 9, 1987

Sir, — It is manifestly true, as Ian Campbell points out in his letter of July 8, that in a total war situation the role of the submarine fleet is to find and attack enemy shipping on sight, and during the last Great War commanders did not consult with Whitehall before doing so.

Herein lies a vital difference which Ian Campbell appears to have overlooked in his consideration of the sinking of the *Belgrano*. All wars constitute the extension of international

diplomacy, and total war exists only when diplomacy has finally broken down.

When the decision to attack the ship was made, the balance between politics and warfare was evenly poised. A peace plan sponsored by Peru was covertly known about by the British, was welcomed by the United States, and was reportedly acceptable, if grudgingly, to Galtieri.

Why then was the decision made to attack a ship which was out of the proscribed zones of war and known to be recalled to its home port, since doing so would put an end to all this diplomatic activity? James Prior, a member of the Cabinet at the time, said in his memoirs that a negotiated settlement of the dispute would have been deeply embarrassing to the Conservative Party. Public opinion polls at the time had placed them at their very lowest ebb, and anything less than outright victory in war could well have ensured defeat at the next election.

The sinking of the *Belgrano* and the inevitable war which followed represented the turning point in the personal career of Prime Minister Thatcher, and what are a thousand or so human lives to say nothing of a couple of billion pounds when set against the overweening vanity and burning ambition of a woman convinced of her own divine superiority to everything else on earth that moves and breathes.

Elizabeth Harrison.

## Trade mission for Argentina

By Colin Narbrough

The first British trade mission to visit Argentina since the Falklands War is due to arrive in Buenos Aires tomorrow to assess the scope for restoring trade if and when the Argentinians ease their sanctions against Britain.

The delegation, led by Mr Paul Eadie, a director of Eadie Brothers, a Manchester textiles company, will be treading a difficult path, given Argentina's rather unpromising response to any overtures from Britain seeking a return to normal ties.

Diplomatic relations between the two countries have been cut since 1982 and there is little sign of any early resumption of normal links. Bi-lateral talks are, however, in progress on rescheduling Argentina's foreign debts within the framework of a multi-lateral agreement by creditor nations.

Argentina is allowed to export to Britain, but has imposed restrictions to prevent British goods entering.

In spite of the sanctions, about £4.9 million worth of British goods are recorded as

being exported to Argentina in the first four months of this year, and British trade officials believe considerably more is entering via third countries.

Britain's principal exports to Argentina have been road vehicles and other transport equipment, but whisky tops the statistics this year.

In the other direction, Argentina ships mainly meat and meat products, reaching a value of £16.8 million in the first four months.

It is this imbalance which is worrying Britain. Before the

Falklands War in 1982, trade was balanced.

The trade mission, which comprises 16 members of an official 40-member trade mission that has just visited Paraguay, Uruguay and Chile, will be the guests of the British Chamber of Commerce in Buenos Aires.

British exports to Latin America have recovered to the level seen before the region's debt crisis in the early 1980s. Last year, British exports to the region were £1.1 billion, while imports were slightly higher at £1.2 billion.

## UK group to send first Argentine trade mission since 1982

BY PETER MONTAGNON, WORLD TRADE EDITOR

A GROUP of British businessmen is to visit Argentina this week on what is effectively the first organised trade mission by British exporters since the Falklands crisis of 1982.

The mission is an entirely private initiative and has not benefited from any UK government assistance, but it is understood that the Department of Trade and Industry has welcomed the initiative it is making to try and revive the flagging trade flow between the two countries.

Led by Mr Paul Eadie of the Manchester-based Eadie Brothers textiles concern, it includes representatives from 14 companies who are finishing off an official mission to Chile. Among the companies represented are Barclays Bank and Wedgwood, the porcelain and crystal concern.

It underlines the concern felt by many British companies that they may face a permanent loss of market share in Argentina after five years of import restrictions since the Falklands war. Officially recorded UK exports to Argentina were only £10.1m last year compared with over £160m in 1981.

While Argentina's exports to the UK have begun to recover again—they reached £28.6m in 1986—British exporters remain hampered by Argentina's refusal to grant import licences for UK goods. Most trade has to pass through third countries.

Though there is no sign of a normalisation of commercial relations in the short term, the UK Government is believed to

hope that the visit by this week's mission, which will not see any government officials, will revive pressure locally in Buenos Aires for a more normal pattern of trade to be established in what was once one of the most important British markets in Latin America.

Britain's trade with Central and South America fell dramatically after the onset of the debt crisis in 1982. Total exports reached a low of £682m in 1983, but they have now recovered to just over £1bn a year, in nominal terms equivalent to their level before the debt crisis erupted.

British trade officials say that a policy of concentrating on exports of essential goods for which buyers pay cash such as organic chemicals, instrumentation equipment and generating sets has led to a marginal improvement of Britain's share in OECD exports to the region. This is now creeping up towards 3 per cent from a low point of 2.3 per cent in 1983.

Nonetheless, Department of Trade and Industry officials feel that, partly because of the difficulty in obtaining Export Credits Guarantee Department cover in some countries, UK companies have been too willing to write Latin America off.

Despite Brazil's economic difficulties, Petrobras, its state-owned oil and gas concern, has a purchasing programme of \$2.8bn a year and similar business opportunities are available from other large concerns such as Mexico's Pemex oil company and the state-owned Brazilian mining firm CVRD.

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## Measures to tackle prison 'crisis' planned

By Fiona Thompson

THE GOVERNMENT is considering a number of emergency measures to deal with overcrowding in prisons.

The Home Office said yesterday the prison population had reached record levels. The most recent figures showed 50,381 people in custody in England and Wales last Friday —almost 9,000 more than the total number of official Home Office prison places. This excluded 648 people held in police cells.

The Home Office said there were a number of contingency plans, but refused to confirm a report in yesterday's *Guardian* saying thousands of non-violent offenders might be given early release due to overcrowding and a former Falkland Islands ship and an army camp might take the overspill.

The Home Office did confirm that the Rolleston army camp on Salisbury Plain had been brought into use for just such a purpose in 1981 during a similar period of overcrowding.

It also confirmed that the Home Secretary had the power, under the Criminal Justices Act, to order the early release of prisoners. "But ministers would be reluctant to use it. No decisions have yet been made on the options available," the Home Office said.

The prison population has increased by more than 3,000 in the past six months.

## Trade party on way to Argentina

By Teresa Poole  
Commercial Correspondent

THE FIRST group of British businessmen to visit Argentina since the Falklands conflict will arrive in Buenos Aires tomorrow on a two-day fact-finding mission which could put further pressure on the Latin American country to move towards normalising trade relations.

As an unofficial trade delegation, the visit by 16 representatives of British companies has been arranged and financed privately. But it has the blessing of the British Government, which wants to restore normal trade relations as soon as possible.

There is growing concern at the moment about the widening disparity in trade between the two countries. Britain lifted some of its restrictions against Argentina two years ago and since then there has been a sharp increase in the value of imports into this country, although they remain far below pre-1982 levels.

In the summer of last year Argentina responded by again granting import licences to British companies but this was suddenly halted in November, apparently in retaliation for the fishing limits imposed around the Falkland Islands. British exports, which had started to pick up during this "window" of opportunity, are now tailing off and the trade imbalance is expected to worsen.

In 1986 UK exports improved from £3.8m to £10.1m compared with the 1981 level of £161.2m, when Britain had a £24.3m trade surplus with Argentina. However, sales of Argentinian goods into Britain soared from £2m in 1985 to £28.6m last year and are expected to increase again in 1987.

The businessmen visiting Argentina are part of a 40-strong official British Overseas Trade Board mission to Latin America which has been visiting Uruguay, Paraguay and Chile over the past week. The Argentina splinter group includes representatives from Barclays Bank and Waterford Wedgwood.

As well as refusing import licences Argentina denies an automatic right to British companies to repatriate dividend and has blocked the disposal or transfer of assets, which in 1982 were estimated to be worth around £250m. British firms are also excluded from public sector contracts.

On its part Britain will not provide ECGD cover for new contracts or issue export licences for military or strategic goods.



NC

## Henry: a sign of the times?

SIR — Is it a sign of the times that the once-disgraced journalist, Wendy Henry, should be the new editor of Britain's best-selling Sunday newspaper?

And is it a conspiracy of silence indicative of the oligopolistic control of newspapers in this country that the howls of protest have been few and far between?

Indeed, one large segment of the industry appears to have done little more than slap its own back at the appointment of a woman to the editorship of a national newspaper. My! Aren't they progressive?

I am of the opinion that sex has nothing to do with suitability. And it's Ms Henry's suitability that doesn't seem to have been as fully discussed as it should.

Here we have a woman who

publicly confesses to — and publicly regrets — perhaps the most serious professional crime a journalist can commit: producing a fake interview.

This was a particularly despicable offence in that the alleged interview preyed upon the emotions of the widow of a Falklands War hero.

Surely there was a time when the newspapers would have inveighed against the elevation to such a powerful position of someone with such a blotched copybook? They certainly would do if a corresponding incident occurred in another industry.

One doesn't want to see people haunted by their past errors for all time — but this sorry incident is too fresh in the mind to be considered a "spent conviction."

ALEXANDER HUGHES,  
Bishops Road,  
Highgate,  
London N6.

Soldier Magazine  
13 July 1987

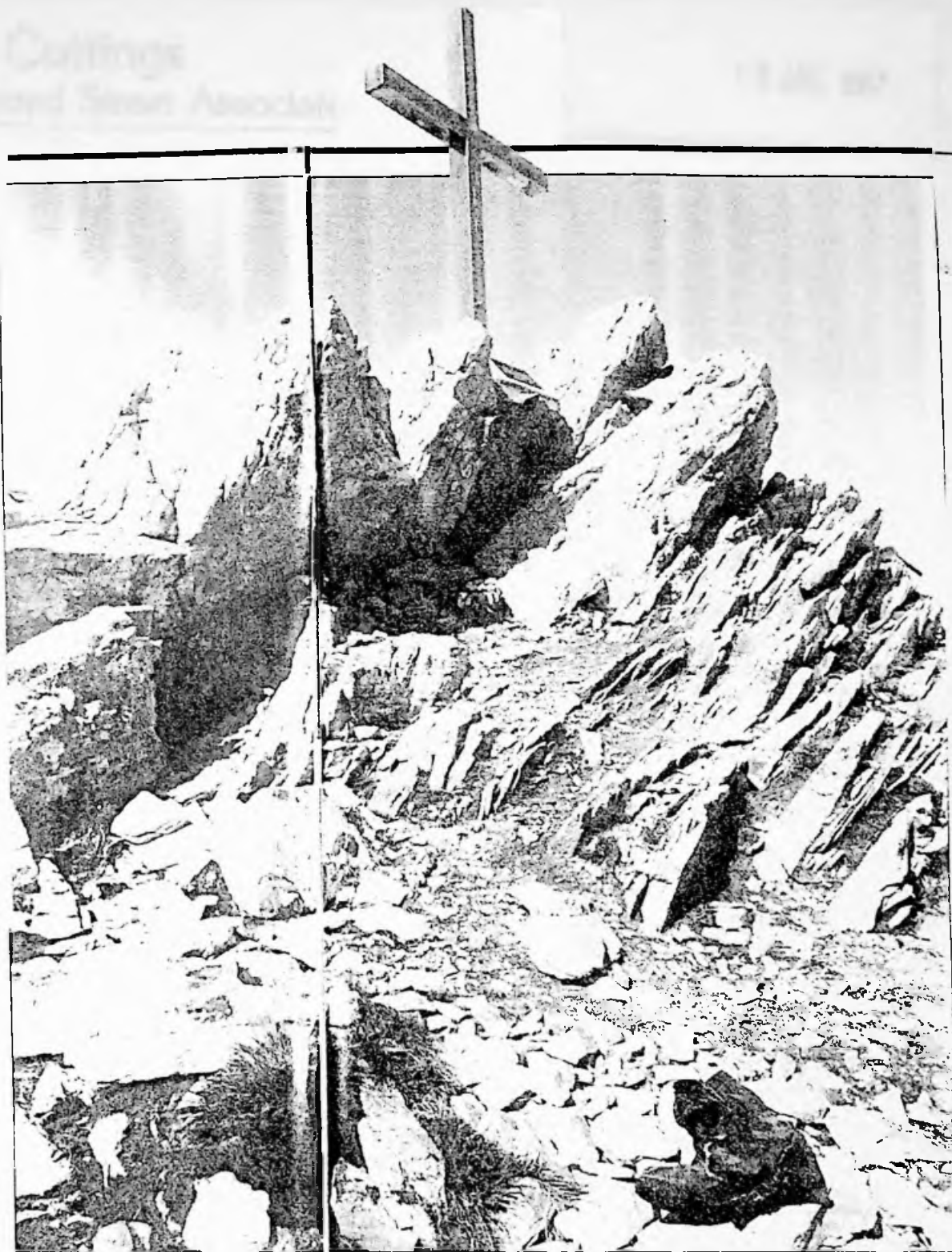
## Cross of Mount Longdon

Just over five years ago the Argentine forces surrendered in Port Stanley to bring the eight week Falklands war to an end. This new picture by SOLDIER photographer Paul Haley shows the steel cross erected on the summit of Mount Longdon to commemorate the loss of 23

men during the capture of the peak by 3 Para in June 1982.

An Argentine boot lying in the foreground is a poignant reminder of the ferocity of

the fighting during which Sgt Ian McKay won his Victoria Cross.



**James Barry  
memorial  
dedicated**

Lt James Barry was killed on May 28 1982 when Argentine troops opened fire as he went forward to investigate a white flag during the Battle of Goose Green. He was seven

days away from his 25th birthday.

Now a memorial to Lt Barry has been unveiled by the Master of Signals, Maj Gen John Badcock, at a service of

dedication in the hallway of an accommodation block - to be known in future as Barry Block - at 11 Signals Regiment, Helles Barracks, Catterick Garrison.

## Prosperity and new faces

## trouble the Falklands

From Andrew McEwen  
Diplomatic Correspondent  
Port Stanley

Mud-splattered Land Rovers trundled through the pot-holed streets of Stanley yesterday to one of the main gatherings of the Falkland Islands' winter, the annual crafts fair.

Wrapped in thick anoraks against snow flurries, the islanders came as much to see each other as the needlework, knitting and carved cows' horns. But behind the warm smiles of many of the older generation was a tinge of regret at seeing so many unfamiliar faces. The sense of isolation and shared adversity that once cemented the social order of Stanley has all but disappeared.

Both population and prosperity are rising and look set to soar in the coming year, thanks to the unexpected success of the fishing zone that Britain unilaterally declared around the islands.

In a little cottage next to the new hospital three pensioners sat around a peat stove discussing the changes. "We used to pride ourselves on

knowing everyone and a stranger stood out a mile, but no longer," said Mr William Summers, aged 73, a fourth-generation islander. "The whole world is changing and we have got to be adaptable too."

The sense that the Falklands may at last be in sight of financial viability has been reinforced by an increase in the old-age pension from £24 to £33 from July 1. The first £1 million from fishing licences paid by foreign fleets was set aside to top up the island pension fund.

The Falkland Islands Government, run mostly by British civil servants, is testing the willingness of the islanders to accept the huge implications that development plans could have on their lifestyle.

A week ago Mr Brian Cummings, the chief executive, hosted a seminar for local leaders to discuss the years ahead. There was no need to remind them that civil servants would leave at the end of their tours of duty, but islanders would have a lifetime to assess the results of their work.

"There is no point in developing the place if the people who live here

turn out not to want it," said Mr Simon Armstrong, general manager of the Falkland Islands Development Corporation.

And while the provisional signs are that they do want change, few yet appreciate quite what it will mean. Some of the more enduring idiosyncrasies of Stanley are likely to be among the casualties.

The sweet scent of peat smoke rising from hundreds of chimneys will gradually disappear as more and more houses convert their Aga and Rayburn stoves to oil. The curious habit of a one-hour time difference between Stanley and "camp" — the Falklands word for "out of town" — in summer may become redundant, since its purpose was to allow breadwinners time to cut peat before going to work in town.

Mr Armstrong estimates that a thousand newcomers will be needed as fast as houses can be built for them if development plans are to succeed. This would be the equivalent of doubling the population of Stanley in a few years.

Also, the newcomers are unlikely to accept having sheep carcasses delivered to the door like milk or bread, to be cut up on the kitchen table. The islanders are accustomed to paying as little as £10 for 50 lb of fresh mutton and would reject any attempt to impose higher prices in return for British-style butchering. But new arrivals from Britain can be seen queuing at West Store, Stanley's surprisingly well-stocked supermarket, to pay London prices for frozen cuts.

For the time being Mr Laurie Butler can count on continuing to round up his sheep on horseback with the aid of dogs and to deliver their carcasses to unlocked meat safes in the gardens of his 400 customers as he has done for 29 years. But he believes that within two years Stanley will have its first British-style butcher shop, and he will not necessarily be running it. Such a change could be followed by attempts to interest the locals in eating fish, the source of their wealth but not part of their diet.

Even Stanley's chummy informal-

ity is beginning to see the start of an up-market drift. The town's first restaurant not linked to a hotel, Monty's, only opened in May but night after night it is filled with surveyors, accountants and planners in city suits and silk ties. Their wives look increasingly fashionable in dresses bought at Stanley's first boutique, which also opened this year. New houses, some costing as much as £100,000, are springing up in a town which five years ago was noted for its lack of paint. Fresh vegetables, hitherto obtainable only in summer, will soon be arriving regularly from a local hydroponics farm.

Mr Summers looked back wistfully to an era before newcomers and video players. "At one time we had a dance every week, now it's only two in 12 months," he said.

And Mrs Lan Butler, the sheepherder's Falklands-born wife, regretted the trappings of English culture that many of the newcomers were bringing with them. "Some of them scarcely bother to talk to each other, let alone us," she said.

# Press Cuttings

from Broad Street Associates

THE GUARDIAN

11 JUL 1987

□ A paragraph in the new House of Commons Defence Committee report on the Falklands reveals the precise costs of hiring military services, which the islands' government might do for fishery protection purposes : £5,400 an hour for a Hercules transport plane; between £50,000 and £100,000 a day for a frigate or destroyer ; and £10,000 a day for an offshore patrol vessel.

Sir: Steinbeck defined politicians as people 'who approach every problem with an open mouth'. Chekhov considered it a writer's function to 'intercede for the guilty'. 'Should writers think?' by John Mortimer speaks up for those who feel guilty about eating well while others starve, or about 'our' so-called defence systems that threaten our planet.

But perhaps politicians should also think more deeply: about whether being 'honour-bound' to toe party lines is an honourable state, in fact; or about interceding for the innocent — as Bob Geldof has, for those dying in Ethiopia, as Mrs Thatcher did not, for those who died in the Falklands.

*Michael Horovitz*

Piedmont,  
Bisley,  
Gloucestershire



10 JUL 1987

## Cash constraints 'may hit Falklands'

BY LYNTON McLAIN

MILITARY force levels in the Falkland Islands should be determined by operational needs rather than by financial considerations, the cross-party Commons defence committee said in a report yesterday.

Nevertheless "the costs of the Falklands garrison... will not be exempt from any general constraints on defence expenditure," the committee said.

The garrison is expected to cost £1.8bn in the seven years following the 1982 conflict. Over half the expenditure for the years 1983-84 to 1985-86 was for capital infrastructure, including the construction of a new airfield and garrison accommo-

dation at Mount Pleasant.

The cost of the airfield and navigation aids was £319m at September 1986 prices. The garrison facilities cost a further £132m.

The Ministry of Defence appeared to contradict evidence by some witnesses to the committee who said contracts for these projects had remained within their original estimates. The MoD said that garrison costs, especially works, had been greater than estimated, as a result of the decision to concentrate airfield facilities at Mount Pleasant, port facilities at Mare Harbour and improvements on Ascension Island.

The cost of operating the garrison was expected to "stabilise at something under £100m a year," the MoD said in evidence to the committee. Fuel for ships and aircraft was the major part of these costs.

It seemed likely that "all outstanding deficiencies of stores and ammunition attributable to Operation Corporate (the campaign to regain the Falkland Islands after the invasion by Argentina in 1982) will have been remedied by 1990, the report said.

*Defence commitments in the South Atlantic, Defence Committee, session 1986-87, House of Commons Paper 408, HMSO: £8.60 net.*

## Falklands budget cut warning

By Martin Fletcher

A warning that financial stringency could lead to an under-strength garrison in the Falklands was issued yesterday by the all-party defence select committee.

The Tory-controlled committee said in a report: "It would not be right to seek to defend the islands with resources insufficient to meet the actual or perceived threat".

It notes that the £100 million costs of the garrison is to be absorbed into the overall defence budget after 1989-90.

*Defence Committee: Defence Commitments in the South Atlantic* (Stationery Office; £8.80).

● Yarrow Shipbuilders, Glasgow, which will launch a Royal Navy Type 23 frigate today, will halve its 4,000 workforce within two years unless it wins more orders, the company warned yesterday.

FISHING NEWS  
10 July 1987

# Falklands invest in UK trawler

**THE Falklands Islands have invested in a deepsea trawler to fish the valuable squid stocks in the islands' 150-mile zone.**

The 1,500 tonne ship is the stern trawler *Arctic Freebooter* and she has been bought by SWB Fishing Ltd. — a joint venture between the Falkland Islands Development Corporation and Witte Boyd of Hull.

*Arctic Freebooter*, to be renamed *Lord Shackleton*, has been under charter to the Ministry of Defence for the last two years and is now in Albert Dock, Hull, undergoing major conversion work.

She is having modern electronics installed and horizontal plate freezers (replacing verticals) together with a redesigned factory deck.

The operational activities will be controlled by Witte Boyd and the vessel will operate a year round fishery catching *Illex* and *Loligo* squid and various finfish species.

SWB Fishing hopes that *Lord Shackleton* will be the first of several vessels it will operate in the Falklands area. Further ves-

sels are planned and will be considered in the light of *Lord Shackleton's* performance on the grounds.

The ship, which is about 240ft. long and said to cost a "substantial figure", will be crewed by Hull fishermen.

Witte Boyd said of the new venture: "We pushed hard to become involved and received considerable support and encouragement in the islands. We now see our main task of developing a stable year round fishery beginning to bear some fruit."

*Lord Shackleton* is expected to start fishing the islands around October this year, said a spokesman for the FIDC.



The stern trawler *Arctic Freebooter* (above) will be renamed *Lord Shackleton* before heading out to the South Atlantic. Above right: Tom Boyd Jr. (left) and Alan Johnson of Witte Boyd Holdings look forward to developing an all-year Falklands fishery.

# Press Cuttings

from Broad Street Associates

10 JUL 1987

DAILY POST (LIVERPOOL)

## Costly islands

THE COST of keeping the British garrison in the Falklands is estimated at around £100 million a year, it was disclosed yesterday.

The Commons Select Committee on Defence said that garrison costs in the Falklands following the Argentine invasion were substantial - nearly £1.8 billion over a period of seven years.

For most of the past few years, more than half of the expenditure was on capital programmes.

# Press Cuttings

from Broad Street Associates

THE SCOTSMAN

10 JUL 1987

## Falklands garrison's annual cost £100m

THE COST of keeping the British garrison in the Falklands is estimated around £100 million a year, it was disclosed yesterday.

The Commons select committee on defence said that garrison costs in the Falklands following the Argentine invasion were substantial — nearly £1.8 billion over a period of seven years.

For most of the past few years more than 50 per cent of the expenditure was on capital programmes including the building a new airfield and accommodation.

More than two years ago the Ministry of Defence estimated that they expected savings of £20 to £25 million a year as a result of the decision to build a new airfield capable of taking wide-bodied jets. This estimate appears to have been accurate.

However in a report on defence commitments in the South Atlantic the committee noted that the costs of the Falklands garrison will not be exempt from any general constraints on defence expenditure.

The committee pointed out that if it is considered necessary to maintain a sizeable garrison in the South Atlantic, the force levels should be determined by operational need rather than by financial considerations.

"It would not be right to seek to defend the islands with resources insufficient to meet the actual or perceived threats." However, the committee said that the Falklands costs would be absorbed into the overall defence budget after 1989-90.

The committee supported the decision to establish a 150-mile Falkland Islands protection zone. The report added: "In view of the situation in the South Atlantic and in particular the refusal of Argentina to declare a formal end to hostilities, we believe that the maintenance of the Falkland Islands protection zone is justified."

The implementation of a fisheries conservation zone had also proved successful, the committee reported.

## Falklands 'threatened by defence squeeze'

By Air Cdre G. S. Cooper, Defence Staff

RECOVERING and protecting the Falkland Islands will have cost Britain £3,541 million by 1990, the Commons Select Committee on Defence disclosed.

In a report on Defence Commitments in the South Atlantic, the all-party committee headed by Mr Michael Mates said garrison costs would by then have fallen to about £100 million a year, but there seemed little scope left for further savings.

In 1990 Falklands costs will be absorbed into the overall defence budget, leading to the risk that, as defence expenditure is squeezed, they will suffer the same "salami-slicing" effect as other elements of the programme.

This prospect is viewed with concern by the committee, which warns the Government not to skimp on the minimum force levels required to deter Argentine aggression.

"If it is considered necessary to maintain a sizeable garrison in the South Atlantic, we believe that force levels should be determined by operational need rather than by financial considerations," the report states.

### War equipment

"It would not be right to seek to defend the Islands with resources insufficient to meet the actual or perceived threat."

Falklands costs from 1982 to 1990 will amount to £1,850 million in expenditure on the campaign and the cost of replacing equipment used to win the war, and £1,690 million in maintaining the garrison.

The latter figure includes £451 million spent on garrison and air reinforcement facilities at the new Mount Pleasant airport.

Now that the Islands can be rapidly reinforced by air, it has been possible to cut the size of the garrison from about 4,000 to 2,000 or less. Extensive radar coverage is available to provide warning of attack; Phantom fighters are constantly alert and Rapier missiles guard the base.

The committee's examination of witnesses reflected unease over having "all the eggs in the Mount Pleasant basket", and over the possibility that Argentina might soon acquire long range missiles and nuclear weapons.

Answers to such questions have been deleted for security reasons.



## Falklands: spare no expense call

By David Fairhall

Expense should not be spared to ensure that the Falkland Islands are securely defended, the House of Commons Defence Committee advises in its latest report, even if the garrison's £100 million-a-year cost must in future be met from the main defence budget.

"If it is considered necessary to maintain a sizeable garrison in the South Atlantic," the all-party select committee says, "we believe that force levels should be determined by operational need rather than by financial considerations. It would not be right to seek to defend the islands with resources insufficient to meet the actual or perceived threat."

The Defence Committee takes as a given fact that there is no immediate prospect of the Falklands sovereignty issue being resolved by diplomatic means and that the possibility of a hit-and-run attack from Argentina cannot be entirely discounted.

Now that the garrison has been concentrated on the newly built Mount Pleasant airfield complex, with the permanent British force reduced to the minimum necessary to protect arriving reinforcements, it sees little scope for further cost savings. The garrison's operating costs have been reduced by about £25 million a year, however, so the new airfield (£319 million for the runways plus £132 million on accommodation) will notionally pay for itself in 18 years.

The total cost of the Falklands campaign and the subsequent replacement of lost equipment is now put at £2.6 billion up to the end of last year. By 1989-90 the annual provision for the garrison, at £124 million, will include only £20 million for the last few replacements. From then on expenditure will form part of the main defence budget, competing with other requirements, and is expected by the Defence Ministry to stabilise at something under £100 million.

The MPs sympathise with the ministry's reluctance to extend the special pay allowance for those serving in the South Atlantic, but they do express the hope that the criteria for the additional payment that is made — £2.60 a day for those doing frequently repeated tours of duty there — will be made more generous.

### **£100m Falklands**

THE bill for keeping the Falklands British is running at a staggering £100 million a year, it was revealed yesterday.

Liberal Party spokesman Jim Wallace said the figure issued by the Commons Defence Committee "should spur the Government to achieve a diplomatic solution."

## Wideawake on Ascension

REMEDIAL work on steel blast screens at Ascension Island's Wideawake airfield could cost £50,000 to £60,000.

The screens (pictured right) were installed in 1984 by Fairclough International as part of its contract to upgrade the facilities on Ascension in the wake of the Falklands war.

The work included removing panels to a place remote from the airhead, sandblasting and repainting prior to replacing in the screen.

Cause of the remedial work is that the original sandblast by PSA's supplier was inadequate — corrosion was evident and on inspection the presence of mill scale was discovered.

A team of St Helena workmen from PSA's direct labourforce on ascension is undertaking the work by removing the panels in batches so that the gap is minimised. The gap moves down the line of the barrier as work progresses.

The purpose of the screens is to deflect the blast from a jet's engines when it is on the apron. The blast is directed upward and thus away from the buildings that surround the apron.

It is expected that refurbishing all the screens will take about five months with target production of three panels a day.

## **Falkland sovereignty**

*From the Director of Christian Action*

Sir, Sir Rex Hunt suggests (July 2) that the way "the Shah resolved the Iranian claim to Bahrain... is a fairer comparison with the Falklands situation than the Aland Islands solution" and asks Señor Alfonsín, "as a firm believer in democracy", publicly to state that he is now "prepared to recognise the democratic right of the present inhabitants of the Falkland Islands to have the government of their choice".

But the very suggestion that Britain has always unequivocally believed in allowing its islands' citizens to have "the government of their choice" is what people like Señor Alfonsín know to be utter hypocrisy. Compare Diego García in the Indian Ocean as recently as 1966. Its people were evacuated and transported to Mauritius, where they were left to live – and die – in the slums of Port Louis. The people are not allowed to return – either to live or to visit.

"Government of their choice"!  
Yours sincerely,

ERIC JAMES, Director,  
Christian Action,  
St Peter's House,  
308 Kennington Lane, SE11.  
July 2.

Daily Mail  
9 July 1987

### **CARVE HER NAME WITH PRIDE . . .**

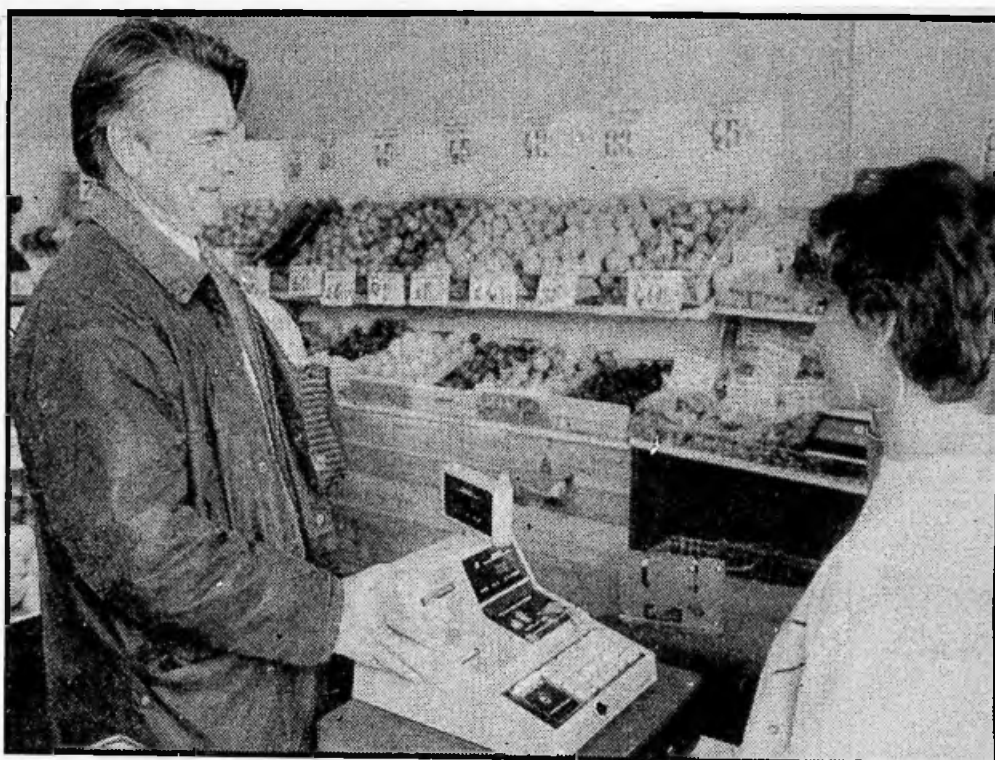
THANK you for showing the fine picture of David Jones. We have all known grief and, at the time of the death of Colonel H., I deeply admired his wife Sara for the dignified way in which she carried out her public duties when she must have been privately, grieving. He would have been very proud of her. Even more so now, when we see how she has guided her sons through the tragedy.

(Miss) MARIAN  
D. FIELD  
Park Road,  
Stevington,  
Bedford.

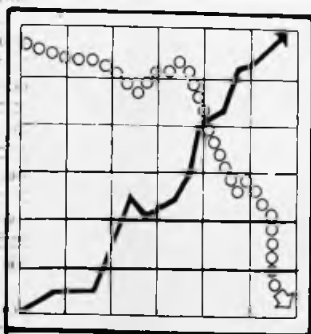


Dignity: Sara and David and (inset) Colonel H. Jones

# In the social market the consumer is king



*Dr David Owen goes shopping for an alternative to market Toryism and the mixed economy*



## ECONOMICS

Christopher Huhne

AFTER the 1983 General Election, only one major Opposition politician sought publicly to absorb the lessons of Mrs Thatcher's victory for economic policy. Dr David Owen reclaimed the phrase "social market economy" — terminology of disputed Christian Democrat or Social Democratic but undoubtedly Teutonic parentage — to underline a break with the old support for the "mixed economy."

It was Dr Owen's view that Mrs Thatcher had fundamentally altered the terms of the political debate and any Opposition party which wanted to be electable would have to accommodate itself to the new reality. For Dr Owen's supporters, it



# Press Cuttings

## from Broad Street Associates

THE GUARDIAN 20

8 JUL 1987

was a welcome injection of market realism. For his antagonists, it was sub-Thatcherism.

One of the interesting features of the aftermath of the 1987 victory for Mrs Thatcher is that far more Opposition politicians seem to have become aware of the need for a similar re-packaging of their beliefs.

Within the Alliance, Mr David Steel resents any implication that either he or the Liberals should be second to anyone in their enthusiasm for the "social market" (as well he might, given the tradition of Lord Grimond, let alone Keynes and Beveridge). The pro-merger group in the SDP have even put the "social market" into their statement going out with the ballot paper to members.

New the Labour moderates too have developed an enthusiasm for private profit and tough competition. Indeed, Labour's most intelligent political columnist, Mr Peter Kellner, has argued that the "social market" concept is too valuable to be allowed to become a casualty of its chief proponent's likely political defeat.

All of this is a recognition that, what might have been called in a by-gone age of social liberalism the issue of "national efficiency," cannot be ceded to the Tories. And there can be little doubt that it was — both in 1983 and in 1987. The Tories identified themselves with the growing classes

of people who are doing well out of modern Britain: the Opposition largely did not.

A large part, of course, of Mrs Thatcher's parliamentary triumph reflects a disproportional electoral system, unique among European democracies.

But part of Mrs Thatcher's success — in many ways so much more impressive in 1987 than in 1983 in the wake of the Falklands war — must be attributed to the Basingstoke factor: the identification of the Conservatives with the solid prosperity of the country's fastest growing areas.

The "social market" is the only label on the Opposition side of the House which comes close to offering something attractive to Basingstoke. Unlike the "mixed economy," in which anyone from Enoch Powell to Ken Livingstone can express faith, it clearly implies the importance of market realism.

As Dr Owen put it in his "Economic Affairs" article in October 1983: "In Britain, the mixed economy has developed not simply as a mix between public and private ownership but as a mixing of objectives and management attitudes within each sector. There has been a tendency to amalgamate the public and private sectors as part of an amorphous mixed economy rather than to define the frontiers and objectives of the market.

"There are advantages from keeping separate the two sectors and admitting one of the necessary differences between them is that profits are the motive force of the private sector and service the motive force of the public sector".

The social market economy, for Dr Owen, was an essay in defining frontiers and extending the market: "We must be prepared to use the term 'market' unashamedly and openly".

Britain's private sector had to be far more attuned to the needs of the marketplace at home and abroad: increased competition, trust-busting and

the de-merging of large private corporations would help. Producers — whether managers or trade unions — could expect little sympathy for elaborate attempts to protect them from market forces. The consumer would be king.

Within the public sector, the social market means experimenting with new ways of providing services to give the consumer more power. Where public corporations can operate in a market, they should. Public monopolies are no more acceptable than private ones. But market ideas could also be introduced in the provision of

public services.

Thus, for example, bus companies might bid for the smallest subsidy to run an unprofitable (but socially necessary) rural bus route. Thus an internal market could operate within the National Health Service, so that a patient would be free to go to another District Health Authority with a shorter waiting list in a particular speciality and have that authority charge his own: a built-in incentive to greater efficiency.

What, the sceptic is entitled to ask, is "social" about this vision of the market economy? The first point, and one curi-

ously not explicitly made by the Owenites, is that the presumption must be that market transactions in themselves are socially valuable. They entail the free and willing exchange of two parties to their mutual benefit. We interfere in individuals' choices—all living rooms will henceforth be painted pink—at our peril. The market is the template.

That is not, of course, to argue that the market should be unalloyed. It is a mechanism, not a god. The other "social" elements in the "social market" are the commitments to industrial democracy, the redistribution of income and wealth and to publicly determined levels of provision of education and health services.

The targeting of benefits on the poor, rather than the provision of universal benefits to rich and poor alike, is likely to make much more impact on poverty and need not entail means-testing if the tax system is used instead to taper benefits away from the better off. Indeed, the Institute for Fiscal Studies considered the Alliance's targeted proposals more redistributive than Labour's.

The concept of the "social market" can embrace many different packages of detailed policy: it has nothing to say inherently about, say incomes strategy or the European Monetary System or money GDP targets or the level of public spending or borrowing. It is essentially a micro-economic doctrine, but even within that field there remains a whole area of debate about where markets fail and need correction on both technical or efficiency grounds — and on moral ones — and whether the correction would prove worse than the original failure.

The bottom line, though, is that it implies a whole hearted acceptance of the marketplace as an essential social tool: as the right way to regulate most of our economic activities. There is nothing, of course, right wing about this.

The social market — or market socialism — is a perfectly sensible antithesis to market Toryism. Hungary has been experimenting with classical market solutions within a framework of egalitarian income and wealth distribution for years. (It has even operated a decentralised market-orientated incomes strategy, backed up by an inflation tax).

If the Opposition parties are going to get anywhere — and certainly if they are to make progress in Basingstoke — they will have to annexe the old issue of national efficiency. Publicly determined provision of education, training, research and development are all areas which, by international standards, Britain is a laggard and the Tory record is vulnerable.

But the opposition parties will also have to become enthusiasts for the market. This is important in the public sector, particularly because of the widespread suspicion that Labour would act in the interests of its client producer groups rather than the consumers of public services. The voter should not have to choose between high levels of public provision and efficiency.

It is also crucial in the private sector. The right response to Mrs Thatcher's belief in the market is to argue for more competition, more choice and a stronger attack on monopolies, not less. The arthritic corporatism of the 1960s and 1970s is well and truly dead.

**£1m trawler  
for Falklands**

By Our Port Stanley  
Correspondent

The Falkland Islands is to have its own deep sea trawler, the Lord Shackleton, 1,500 tons, to operate within the 150-mile fishing zone which was declared last year.

The stern trawler which has been under charter to the Defence Ministry has cost Falklands fisheries £1 million.

## Falklands get £1m trawler to fish exclusive zone

THE Falkland Islands are to have their own deep sea trawler to operate within the 150-mile fishing zone which was introduced by the British Government late last year.

The 1,500-tonnes stern trawler, originally known as the Arctic Freebooter, had, until quite recently, been under charter to the Ministry of Defence. It has cost Falklands Fisheries £1 million to buy. This, according to the development corporation's general manager, Mr Simon Armstrong, "is a snip for trawler of that size," taking into account the fact that the MoD have refurbished the vessel.

The trawler, which will be known as the Lord Shackleton in recognition of the man who, in several economic reviews of the Falklands, persistently urged the British Government to declare an exclusive fisheries zone around the islands, will be

the first trawler to operate within the zone while flying the Falklands flag.

Mr Armstrong said he expected the vessel, which is now being refitted with new freezing equipment in anticipation of large catches of squid and with navigational aids, to arrive in the Falklands in October or November. The crew, he said, may be all British or include other nationalities. It might possibly be Polish. He emphasised, however, that there will be opportunities for young Falkland islanders to train on the vessel as fishermen.

Revenue from the issuing of more than 200 licences for the first half of the fishing season realised £12 million for the Falklands, and it is anticipated that unexpected revenue from 95 licences issued for the second half of the season—from July to December—will yield another £8 million.

# Press Cuttings

from Broad Street Associates

SUNDAY EXPRESS

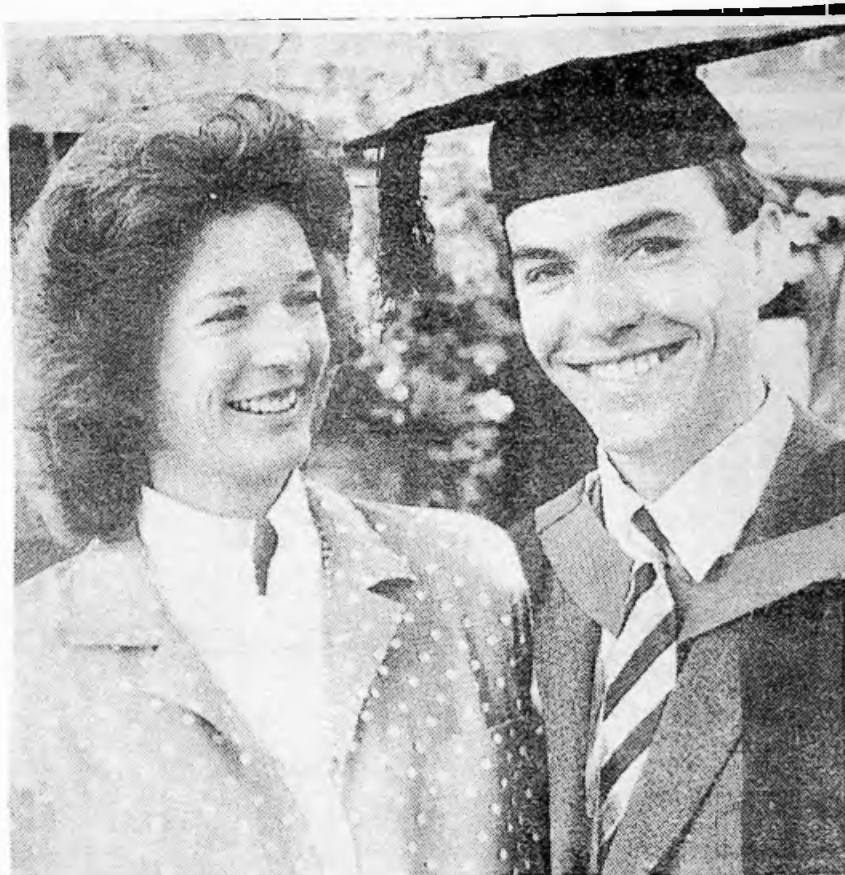
5 JUL 1987

## Medal plea

FALKLANDS war veterans are hoping a benefactor will come forward to save the George Medal won by boy hero John Dillon.

John, who left the Navy's is selling it to buy a car to get to college from his North London home.

News of the World  
5 July 1987



HERO: Colonel Jones

THE proud son of Falklands hero Colonel "H" Jones proves he ranks highly as a scholar.

David Jones, 21, graduated from university yesterday, watched by his mum Sara—then set out to follow in his father's footsteps.

David, who collected a history degree at Reading, Berks, will join his father's first regiment, The Devonshire and Dorset.

Colonel "H" won the VC as he died leading his Paras into battle.

**Son of 'H'  
marching  
off to war**



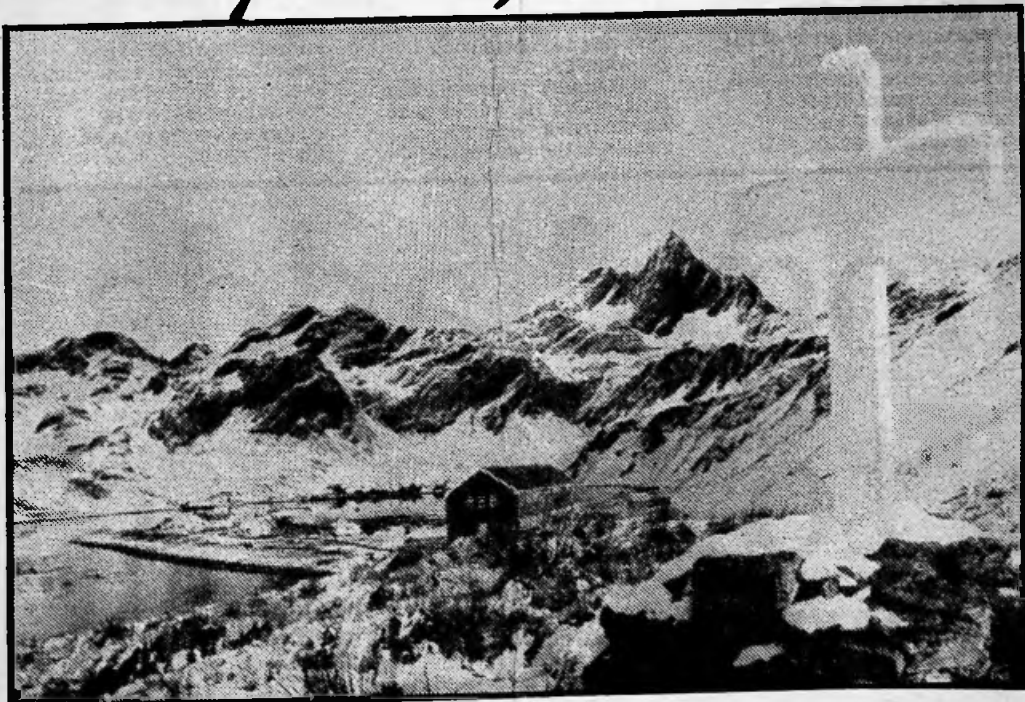
July 4, 1987

TRAVEL

edited by Brian Hill

Daily Post  
4.7.87

# Why penguin No 1 cost the lady £2,400



*TYPICAL of the south Atlantic island terrain is South Georgia. The cross is in memory of Sir Ernest Shackleton, the explorer, who died there in 1922.*

by Tony Austin

ONE 80-year-old woman who went on a rather long outing to see the penguins came back telling how the first one she spotted cost her £2,400 — but by the time she left they were two a penny.

Dave Morgan, tourist chief on the Falklands, makes it sound a good story and whether or not she actually saw 120,000 penguins is probably not far out by the odd 10,000.

Package tourism is new to the Falklands. It is for the well heeled and stout booted and those who sport anoraks, enjoy observing wildlife and have a sense of adventure.

One needs to be a certain sort of person: hardy, enthusiastic, a true eccentric.

It is a 15-hour flight to get there, assuming you have a tail wind, and when you land the military airport at Mount Pleasant doesn't have a name board, let alone a welcome sign.

Having come on a RAF operated Tri-Star there was no alcohol aboard, though drinks are cheap in the NAF-

FI in the early hours, during the refuelling stop at Ascension Island. But as it was dark there was nothing to see of that volcanic spot in the Atlantic.

Before you are allowed out of the arrival lounge you receive a stern lecture on minefields.

An army chap in a flak jacket holds up examples of mines that were buried, unmarked, or badly mapped, by Argentine forces, during the war five years ago. Dire warnings are issued about the risk of going anywhere that is fenced off by skull and crossbones signs.

Fortunately, most of the minefields are around the only town, Port Stanley, and the wildlife that attracts visitors is in remoter parts.

Penguins and seals, particularly, are as curious about people as tourists are about them, which enables mutual inspection at close quarters, though the pong of a penguin does not encourage over familiarity.

Albatross, King Cormorant, and sea lion, are among the other wildlife, together with the Flightless Steamer Duck, unique to the islands, and other rare birds.

Upland Geese, after which Port Stanley's hotel got its name — in the singular — graze, and Tussac birds, living in the Tussac grass which grows up to 10 feet high, abound.

It's all slightly reminiscent of Scotland or the Lake District but on a different scale.

The highest "mountain" is 2,312 feet, and the vast rolling moorlands are open and treeless, uninhabited except by the odd sheep.

With a population of about 2,000, in a land area nearly the size of Wales, nature reigns supreme.

The wind comes straight off the South Atlantic, unpolluted and enervating. The climate is gentler than Britain — warmer in winter, cooler in summer.

cont.

Press Cuttings  
Daily Post  
4.7.87  
cont../

### **No Hilton**

The latitude south is the same as London is north but the changes in weather are more rapid. Sun and sleet in the same half hour.

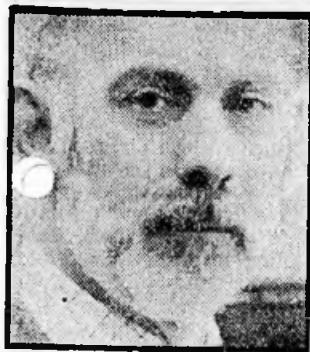
Tourism is in its infancy, with beds for about 75 people at any one time. Hotel accommodation is limited in Port Stanley and three small developments in remote areas, or on islands reached only by the small government-run Islander aircraft, which seem to land anywhere and everywhere.

Dave Morgan says visitors come expecting bunk houses and are suprised by standards at the new hotel at Sea Lion island, or in the converted farm managers houses at Port Howard and Pebble Island, also scene of a daring British raid on Argentine aircraft during the war.

But it won't be Hilton style. Hilton's don't have penguins a few minutes walk away from their front doors. Nor can they serve sea trout as tasty as that I ate in the Upland Goose, in Port Stanley, which was some compensation for their beds with nylon sheets.

Information from Steve Green on 0904-782136, or Box 13, Stanley, Falkland Islands.

# By the left and right to war



Ian Curteis

JUST 90 minutes before the Argentine surrender on the Falklands, and a few days before his 22nd birthday, Lt-Robert Lawrence was shot in the back of the head by a sniper. He was later awarded the Military Cross for his part in the attack on Tumbledown Mountain. His wound paralysed his whole left side.

A couple of years later, the Guardian ran a story about him and about the extent to which officialdom had failed a man whose life had been blown apart in the war. This was the starting point for Charles Wood's television play *Tumbledown*. And *Tumbledown* itself became a casualty in the crossfire between the BBC and Ian Curteis over the cancellation of Curteis's *The Falklands Play*. Both plays may eventually be produced by the BBC, but, meanwhile, Wood's text has just been published—Curteis is already in print. So now at least we can see what the fuss was about. Or can we?

The two plays represent the opposite poles of writing about war. Curteis offers a skilfully constructed, pedestrian, chronological précis of events as seen by the top echelons of politicians and the armed forces. Wood shows the reality of the war as seen by soldiers involved in the battle; and in Lawrence's case, involved for the rest of his life in a fight against shattering disabilities.

Where Curteis is straightforward and wordy, Wood works far more through images, time leaps, with some scenes of disturbing ferocity and appalling realism. It is about heroism as opposed to heroics, one of Wood's recur-

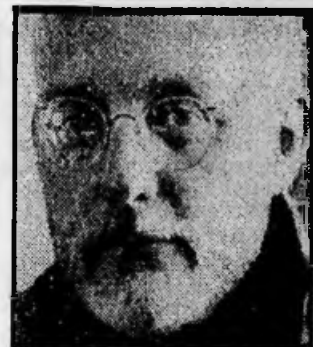
rent themes (in his play *Dingo*, in Tony Richardson's *The Charge of the Light Brigade* and Dick Lester's *How I Won the War*). It is about killing a man with a broken bayonet. It is also about one of Thatcher's favourite virtues: facing the consequences of your own actions.

Production of *Tumbledown* was cancelled—or postponed—because the Right wing press gleefully linked it to the Curteis story. The argument was that the BBC was trying to nobble the patriotic Curteis while giving a clear run to lefty Wood's anti-Thatcher play. But reading the two texts and the two authors' introductions produces a different impression.

Curteis's first and main dispute was with Peter Goodchild, BBC head of Plays, with whom he had clashed over an earlier series. Curteis complained that Goodchild was unhappy about scenes where the Prime Minister shows emotion about the servicemen killed in the Falklands war.

But the real dynamite (Curteis's word) was that Goodchild apparently suggested some of the War Cabinet scenes might be rewritten to show Ministers taking electoral considerations into account in their decisions. "It was, he (Goodchild) said, naive of me not to imagine that such things must have happened. . . He was it seemed to me, asking me to go substantially against the historical record *under my own name*, not his."

Curteis maintains that the War Cabinet meetings are remarkably well documented; "Better than they should be," as he put it to me during an



Charles Wood

Hugh Hebert examines the  
conflict over two dramatic views  
of the Falklands war



Setting the standard... British soldiers raise the flag

interview at the time of the row last summer. He also said "At no stage was anything said [in War Cabinet] about the coming election, which could have been up to two years and four months away."

Yet there is a contradiction here, because we can now see that there are two important references in the text to the possible fate of the Thatcher Government. One is at the crucial War Cabinet meeting when they are deciding whether the main part of the task force with the two carriers should be ordered to sail.

"PM: Do we still believe what we certainly believed in, in 1940? ... Because if in our hearts we secretly believe that that Britain is dead, it would be a crime of the direst and blackest sort to send those men to fight—a crime of which the country would very soon find us guilty because their hearts won't be in it, and the first death would light a fuse that would blow us sky-high and

clean out of office at the next election!"

The second reference (page 144) comes when Al Haig, the US Secretary of State at the time, meets the Argentine Junta in Buenos Aires as part of his Kissinger-style shuttle diplomacy attempting to avert war; and he is laying it on the line:

"Haig: One. The United States Government could not see two friends at war. Two. Britain is not bluffing, and Washington would not tolerate the fall of the Thatcher Government. . . ." (my italics).

If we are talking about bias, let's note this point, from Curteis's letter to Alasdair Milne dated August 2, 1986, and published in the introduction to the play:

"By its very nature, *The Falklands Play* is pro-Government and pro-Mrs Thatcher. You personally commissioned it. It is meticulously researched. As you have cancelled it apparently for fear it

might influence voters, have you also cancelled other programmes, however accurate, containing anti-Government and anti-Mrs Thatcher arguments lest they influence voters the other way?"

"By its very nature" is a curious phrase in the context. But anyway, the answer to Curteis's question was soon known. *Tumbledown* fell.

There are, it is true, many criticisms in Wood's play of military attitudes and especially of the treatment of wounded men in military hospitals. None of them are specific to the Falklands war, nor do they have any direct political import. Though the play is certainly left wing in the sense that it is bitter against war and against the militaristic view of life.

Robert Lawrence is presented as a young, enthusiastic soldier, who in the crucible of war does things that earn him his medal, the title of hero, the admiration of his comrades, and an unashamed adrenalin

high. Later he sees—and if we are allowed, we shall see—that these were terrible things to do even in battle.

*Tumbledown* seems to me no more—but no less—political than, say, Wilfred Owen's *Strange Meeting*. There is even one sequence that seems to invite comparison with that eerie, angry, elegiac poem.

"Robert Lawrence and I hold different political views," writes Wood, "but we have come together over *Tumbledown* without losing those views. . . . As for my own feelings about the Falklands war, I feel intense guilt, for I hold it to be wrong that young men like Robert Lawrence were maimed and killed because our skills in avoiding war are not nearly so good as our skills in promoting it." I don't think it is what Curteis intended, but I think that, inadvertently, that is what he also proved.

*The Falklands Play*, by Ian Curteis (Hutchinson, £3.95); *Tumbledown*, by Charles Wood (Penguin, £2.95)



Daily Mail  
4 July 1987

## Hogg Robinson bid is 'just round the corner'

IS THERE going to be a bid for Hogg Robinson? The TSB may have gone away but punters who bought ahead of the shares' suspension at 561p last month will be hoping for action. Otherwise their fingers could be badly burnt.

Yesterday Hogg Robinson unveiled its demerger plans. Travel and transport will be split off to form a new company.

### Pricing

Shareholders will receive one share in the new company

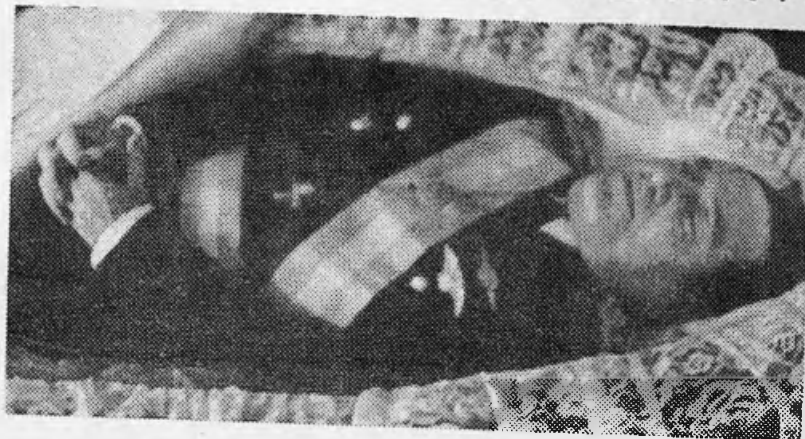
for every one held. The travel and transport company is to raise £33.7m by way of a 41 for 100 rights issue, with the new shares at 185p.

The pricing of the rights issue confirms stockbroking analysts' view that Hogg Robinson's shares are not worth more than £4 each — without a bid.

But market makers are sure that a deal is just round the corner, especially after the Willis Faber/Stewart Wrightson link up.

So the shares should return at around £5 on Monday, which is still at a 60p discount to the suspension price.

## FROM THE GRAVE OF PERON . . .



## Raiders 'ransom' sawn-off hands

From LOUISE BYRNE in Buenos Aires

THE SHADOW of Juan Peron was again hanging over Argentina's frail democracy last night.

Grave robbers used a saw to cut off the hands from the dictator's embalmed body, entombed in a glass-cased vault through which his face and chest are visible to visitors.

Last night President Alfonsin blamed 'coup mongers' as it was revealed the thieves were demanding \$8 million for the return of the hands.

The theft was discovered after a visitor to the Peron family tomb in Northern Buenos Aires reported to police that a sabre, cap and banner were missing.

Several Peronist leaders later announced they had received ransom notes which claimed Peron's hands had also been taken.

The thieves broke a hole in the roof of the vault, by-passed a security glass, dealt with 12 security locks and lifted the coffin's 350lb lid before reaching the corpse.

The incident brings back memories of 1952 when the body of Peron's first wife, Eva was mysteriously stolen and buried in an anonymous grave in Milan Italy.

The Guardian  
3 July 1987

## Atlantic purity

REAGAN ignorantly called them a few barren rocks. That, together with substandard television pictures of the 1982 winter war, contributed to a bleak British image of the Falklands. Now, in *The Falkland Islands and their Natural History* (David & Charles, £12.95), the naturalist Ian Strange has found a camera and film capable of approximately capturing a purity of light and colour not seen in Europe since the Industrial Revolution.

Strange's work gives us back something of what Sir Richard Hawkins saw in his 1594 landfall: a place "all over as green and smooth as any meadow in the spring of the year," and with a tumult of rare wildlife which will continue to need cherishing long after today's dispute over human ownership is settled.

JOHN EZARD



Fishing News  
3 July 1987

# Falklands squid licences

THE Falkland Islands Government has announced the allocation of fishing licences for the season July 1 to December 31 1987.

A total of 96 applications for licences were received of which 90 were successful.

Vessels licensed for the *Loligo* squid and finfish

fisheries include one Greek, two Italians, six Japanese, two Koreans, 16 Spanish and one UK boat — a total of 28.

Some 62 vessels have licences to fish finfish only. These include one Faroese, one Italian, four Japanese, three Koreans, one Panamanian, 30 Polish, 19 Spanish and three British.

The Falkland Islands

Government has decided that on conservation grounds it is necessary to limit the number of licences for the *Loligo* squid fishery and, initially, to restrict this fishery to August and September.

"Monitoring of *Loligo* squid stocks over the last two months has indicated a need for precaution," said Alastair Cameron of the FIG.

"There was some disappointment over the issue of licences for the squid fishery as less than half who applied got licences," he said.

The Listener

LETTERS TO THE EDITOR

The Listener

2 July 1987

4 June 1987

## The Falklands' future

SIR: There are two points in Harold Briley's clear exposition on the Falkland Islands (THE LISTENER, 18 June) that need correcting.

It is an anachronism to suppose that 'offshore [oil] exploitation could hardly be viable without Argentine co-operation'. Such, indeed, was the view in Lord Shackleton's Report of 1976. Reasonably enough, in the succeeding report of 1982 co-operation was not mentioned: the precondition for attracting oil companies to a region not obviously rich in oil was 'a political settlement reached with Argentina', so as to ensure stability and the jurisdiction by Britain over its offshore resources. Since then, in October 1986, Britain bestirred itself when declaring its offshore entitlements 'up to the limits prescribed by the rules of international law'. A result is that a political settlement is in the process of becoming recognised.

In his exposition, Mr Briley states that the annual defence costs for the Falklands are 'less than £300 million for this financial year, and should drop below £200 million next year': the figures made available by the Ministry of Defence are, respectively, £147 million and £111 million. The discrepancy is accounted for by a fact that is entirely missed by the British media:

the higher figures are the total annual provision for Falkland costs, which include the continuing 'residual campaign costs' of replacing ships, etc. destroyed in 1982.

M. R. Meadmore  
London W12

## Causes of the Falklands

SIR: Michael Charlton, in his absorbing article on the causes of the Falklands War (THE LISTENER, 21 May), echoes Lord Chalfont in judging that the only alternative to final military collision was a diplomatic settlement as urged in Resolution 2065 (1965) of the UN General Assembly. He suggests that the resolution gave expression to 'moral principles embodied in the United Nations charter', while a determination 'to uphold the rights of even tiny minorities' did not (the Falkland Islanders are the very opposite to a minority!). Sadly, as is shown by examining the debate at which it was passed, the resolution provided no basis for a settlement.

Argentina and the 15 Latin-American states that sponsored the resolution presumed as follows:

1. that 'the historical, political, juridical and economic basis underlying the sovereign rights of the Argentine Republic to the Falkland Islands (Malvinas) was made abundantly clear';

2. that the UN Declaration on Decolonisation (1960) legitimated their plan to incorporate the Islands into the Argentine state and that this 'prompt, just and peaceful solution' was in the interests of the Islanders;

3. that the guarantee in the Charter and the Declaration of territorial integrity had retroactive application to an alleged incursion in a previous century and that the principle of self-determination, upheld in the same document, did not apply to the Islanders.

The spokesman for the British delegation was somewhat ineffective on that afternoon of 16 December 1965. He failed to raise an objection to the Argentine proposal that, in all UN documents, the name Falkland Islands be changed, in the Spanish, to 'Islas Malvinas (Falkland Islands)' and to 'Falkland Islands (Malvinas)' in all other languages. However, after the vote (94 to 0, with 14 abstentions), he delineated, no doubt unconsciously and in the following words, the fateful miscalculation that the resolution contained:

... my government has welcomed the suggestion of the Argentine government that our two governments should hold talks on the question

of the Falkland Islands, and we have asked the Argentine government to suggest topics for such talks, bearing in mind our well-known reservations regarding sovereignty and the need to respect the wishes and the interests of the people of the Falkland Islands.

Because it proved obstructive to Argentina and its sponsors, the directive about 'bearing in mind... the interests of the' Islanders was omitted from the directives in all subsequent resolutions on the subject.

M. R. Meadmore  
London W12

### **Falklands haul**

No fully British-owned ships are taking part in the second Falkland Islands fishing season, which is expected to net £8 million in licence fees for the Falklands Government.

### Falkland sovereignty

*From Sir Rex Hunt*

Sir, In his letter (June 23) Mr Miller reminds us of Churchill's maxim "In victory, magnanimity" and calls on Britain to act in a statesmanlike manner by proposing a Hong Kong-like transfer of sovereignty. Noble sentiments: but I doubt whether Churchill's magnanimity would have extended to handing back to Germany territory seized by Hitler's armies.

And I doubt whether Churchill would have considered it "statesmanlike" to dismantle our Falklands defences and sign a leaseback agreement with Argentina on the assumption that democracy in that volatile country would flourish uninterrupted for the next 50 years. He would more probably have denounced such a proposal as folly and appeasement.

I agree with Mr Miller, however, that a true act of statesmanship is needed. Why not from Señor

Alfonsín? It would be too much to expect him to renounce the Argentine claim altogether; but as a firm believer in democracy he would gain in international stature if he would publicly state that, despite our historical dispute over sovereignty, he was now prepared to recognise the democratic right of the present inhabitants of the Falkland Islands to have the government of their choice. Islanders' views could then be freely expressed and independently verified under UN auspices or any other arrangement agreed between our two governments.

Cloud cuckooland? Perhaps; but there is a precedent. The Shah resolved the Iranian claim to Bahrain in the same way in 1968. This, I submit, is a fairer comparison with the Falklands situation than the Aland Islands solution.

Yours faithfully,  
REX HUNT,  
Old Woodside,  
Broomfield Park,  
Sunningdale, Berkshire.  
June 24.

FIVE years after the Falklands War one young university graduate this Autumn will enter the Army bearing the heavy burden of his father's fame.

Twenty-one-year-old David Jones, who this week graduates from Reading University with a second class honours degree in history, son of Colonel 'H' Jones VC, the Falklands hero, is following his father's footsteps into his old regiment, the Devonshire and Dorset.

The slim, dark and diffident university student has chosen to join the old county regiment to which his father first belonged rather than the Paras he commanded in the Falklands and who he was leading when he died charging up a bleak hill after the landing at Goose Green.

## Decision

Yesterday David, his older son, spoke quietly about his decision to become a soldier like his father and the pressures that will involve.

'His reputation will always be there but I don't want it to hang around my neck,' he said. 'I'm trying to forget about it — just become Joe Bloggs again. I want to make my own way.'

'When you're a child in an army family you say you want to be a soldier, but ever since I thought seriously about it, when I was at school, I knew that is what I wanted.'

'My father knew it, too. He knew I had got an army scholarship at school and I think he was pleased. We discussed how it would be.'

'I could have joined the Parachute Regiment. The Colonel there told me there would always be a place for me, but at this stage I didn't want to. Maybe later, once I'm established, like my father was when he joined them.'

Colonel Jones won his fame under a hail of enemy bullets in death as the leader of 2nd Battalion Parachute Regiment in the Falklands, but in fact spent most of his army career in the

## by STEPHEN BATES

Devon and Dorsets, the family's local county regiment, moving on to command the Paras only in the last 18 months of his life.

David said: 'We have more ties with the Devon and Dorsets. It's a good family regiment. Perhaps the Paras are harder, more ambitious.'

'The only memories they have of my father are the Falklands. The senior officers of the Devon and Dorsets knew him as just another soldier.'

The burden of being the son of a famous father going into the same profession is a heavy one. 'I am aware that some people I meet in the army think "Oh no just another VIP's son, a pain in the backside." It's something I'm aware of, look out for and tread carefully about.'

'A few people think I assume I will be the greatest thing since sliced bread and I guess that will be particularly true at Sandhurst. They'll try and drum that out of me, which is quite right — I shouldn't go into a regiment with any illusions. I'll just have to show them I'm not like that.'

David was a schoolboy studying for his 'O' levels at Sherborne School when news of his father's death came through. A senior officer called at the family's home in Wiltshire one morning while he was on half term.

He and his younger brother were playing croquet on the lawn when his mother came out to break the news.

He has been to the Falklands twice to see his father's grave and visit the spot where he fell. The next time is likely to be as a soldier himself, on a tour of duty there.

'My views have changed since visiting the island, meeting the people and hearing their views. It had to be done, there was a principle at stake. We had

to show that we meant what we said. Those people have a right to choose.'

'It was a necessary war. I do not begrudge my father's death.'

There is an obvious pride in his father's medal, too — one of the very few awarded since the Second World War.

## Popular

The VC was unbelievable — it took some time to sink in. It was like something you read about in comics, unreal, like the drawings of my father being killed, which didn't look like him at all.

'I suppose there was a Falklands factor involved, behind the scenes. Mrs Thatcher wanted to show something, but . . . of course I'm proud of what he did.'

David has been a popular and quiet student at Reading University, well spoken of by his tutors. A student who chose the war and society course, but not a military specialist as such.

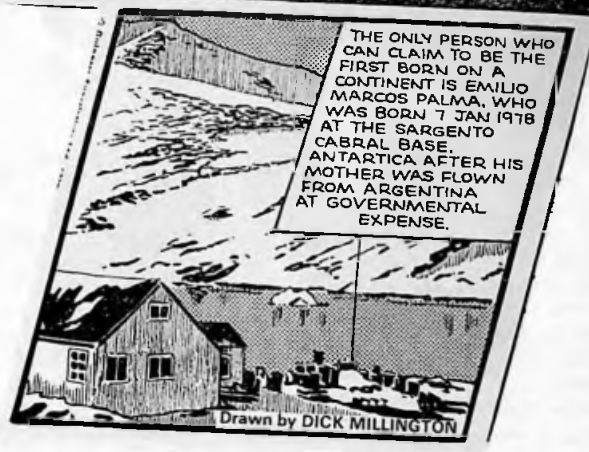
His outdoor hobbies include sailing and skiing activities in line with his wish for the active life as a soldier. Later this summer he will be taking part as a crew member in the Fastnet race.

David's younger brother Rupert 18 is set to follow in his footsteps — to Reading University and then into the Army. He has chosen the Paras as his regiment.

'My mother sometimes says she wishes we would become lawyers or vets or something but she doesn't regret our decisions. I think my father would have been pleased, too,' he said wistfully.

Daily Mail  
2 July 1987

## Factfile FROM THE GUINNESS BOOK OF RECORDS





# NZ extending new quota system

**TEETHING** problems are beginning to be found in the recently-introduced fisheries management schemes in New Zealand's fisheries. The new policies include the Individual Transferable Quota (ITQ) giving access to resources in perpetuity, which is to be extended shortly to cover two more species.

Both the deep water and the inshore fisheries are working under the ITQ scheme. Also the government has brought in a system of tendering for quotas and a quota exchange system.

Speeches and messages at all the New Zealand industry's recent conferences had a common thread — coping with the changes introduced by government from October 1, 1986. There was interest in the measures being extended to squid and jack mackerel, also the possibility of rock lobster and tuna being covered too.

In an address to the Fishing Industry Association Conference on April 8, Mark Hinchliff, retiring chairman of the New Zealand Fishing Industry Board, admitted that there are problems to be sorted out.

Mr Hinchliff said development had been rapid since 1978 when total production from the New Zealand EEZ was 225,000 tons, of which 90,000 tons came from domestic vessels only two of which were over 30 metres in length, the balance coming from foreign vessels.

Catches in 1986 were around 470,000 tons, of which 170,000 tons were harvested by New Zealand operations, a further 175,000 caught by vessels chartered

*— but teething problems start*

by New Zealand operators and 125,000 tons by licensed foreign operators.

Mr Hinchliff said that New Zealand now has a deep water fleet with 17 vessels over 30 metres and at least three more are due to arrive this year. Investment in catching over this period was about \$NZ35m and employment at sea is now 8,000 people, compared with 5000 in 1978.

Dealing with adverse publicity over the shortage of fish on the domestic market and increased prices, Mr Hinchliff explained that the home market now has to compete on price with overseas markets.

However, a reduction of 25% to 30% of the inshore allowable catch due to the fishery policy had cut supplies of some inshore fish for the domestic market.

Mr Hinchliff, however, pointed out that there had been an increase in domestic consumption from 37,000 tons of finfish in 1978 to 70,000 tons in 1986.

The Hon. Colin Moyle, minister of fisheries, told various conferences held in New Zealand that he intends to keep a flexible approach to the new system as government works through the inevitable teething troubles together with the industry.

A lot of media coverage has been given to the dumping of unwanted species and fish caught in excess of quotas. He accepted that some had by-catch problems but this had been anticipated

and the system provides for the buying and selling of quota to alleviate this problem.

The ministry is working on proposals to "fine tune" the catch-mix and he is expecting the industry to take part in achieving adjustments.

At the conference of the New Zealand Federation of Commercial Fishermen, the minister welcomed a suggestion from the Federation that fishermen be allowed to exchange quotas of other species for by-catch species on an agreed formula.

The minister said that the ITQ management system had "copped the blame" for alleged shortages of fish, but he was not sure who or what would be blamed if the ITQ system was not there as a scapegoat.

He emphasised that the ITQ system had been brought in to save the inshore fishery from destruction and he believes that it is already bringing economic and biological benefits.

He said that reports which came from the retail sector seemed to be mainly concerned with shortages of prime inshore species such as snapper, but Mr Moyle went on to say that there are two ways to ensure that adequate supplies of fish are always available: consumers should be educated to use good quality frozen fish and lesser known species.

Resource rental is now a contentious subject and the minister said that the

Fisheries Amendment Act provided for the minister of fisheries to make recommendations to Cabinet for the level of resource rentals for the coming fishing year.

Levels are set with regard to such matters as the value of ITQs, net return to fishermen and changes in TACs. Before making a recommendation to government, he is required to advise industry organisations of the recommendations and the reasons for them, as well as inviting industry submissions.

One serious concern in the New Zealand fishing industry is the way the new deep water hoki fishery is developing. The minister said: "I have been concerned in recent times about the stresses and strains placed on the hoki fishery by the number of vessels involved and in the apparent lack of discipline from some of the participants. I believe a more careful approach to the hoki fishery would be beneficial to all."

A repetition of the dumping and other losses occurring last year would threaten the stability of the fishery.

He feels there is a great opportunity in using hoki to manufacture surimi. It is an exciting development and he is keen to see it prosper.

The Fishery Inspection and Certification Council is studying surimi standards and, because he did not want to see the New Zealand industry faced with possibly unnecessary costs in upgrading chartered vessels at this time, he was seeking Cabinet approval for regulations exempting surimi processing vessels from the requirements of the Fish Packing (for Export) Regulations 1977 for this season only.

cont.

Cont...

The minister is proposing to extend the ITQ system from October 1 to the squid and jack mackerel fisheries.

On squid, it was proposed that previous fishing history would be the basis to set individual quotas for both the trawl and jig fisheries. Jack mackerel quotas would be based on the current year's catches.

His ministry is consulting with rock lobster fishermen about alternative management approaches and this was dealt with at the annual conference of the New Zealand Federation of Commercial Fishermen.

Rock lobster has been a limited entry licensed fishery for some years, but there have been no other controls. There had been two polls of rock lobster fishermen — one by the Federation — and the other by the New Zealand Fishing Industry Board — dealing with options. Prior to this, a booklet had been issued and there had been many open meetings in lobster fishing ports.

After further debate at the annual conference of the New Zealand Federation of Commercial Fishermen, a new membership poll is under way which will, it is hoped, result in clear, practical, proposals for Individual Transferable Quotas.

The minister ended his address by saying: "I believe the industry is in very good heart, that developments in

a number of areas are exciting and that — with the quota management system in place as a basis — the New Zealand fishing industry is headed for interesting and profitable times in the next few years."

## NZ squidburger

**SQUIDBURGERS have found a ready market in New Zealand and are now retailing in the US.**

The secret of their success is a tenderising process involving squid enzymes developed by the New Zealand company Wanganui Trawlers.

The squid meat is first tenderised and then finely minced. Fish is then added to enhance the flavour and is infused with a binder to make the finished burger

ready for the frying pan, barbecue or microwave.

Wanganui Trawlers says it can process all the squid available to supply a developing home market. The product is being distributed in shrink-wrapped batches of four packed in cartons of 84.

Marketed under the Trident brand name, the squidburgers may become a fast-food speciality in North America. Wanganui Trawlers has reportedly been talking to McDonalds about test-marketing in California.

## Report on NZ squid

INFORMATION on the gear and equipment used in the New Zealand squid jigging industry has been compiled into a package by the NZ Fishing Industry Board. Catch rate details are included in the package from NZFIB, Information Resource Centre, Private Bag, Manners Street Post Office, Wellington, New Zealand.

July 1987

# Spanish-fish off Falklands

THE FOURTH freezer stern trawler in a series of five designed to fish off the Falkland Islands and the coast of southern Africa is now in service, while the fifth vessel is under construction.

Armador de Vigo D. Jose Pereira is operating the ships and the latest to be delivered is equipped for bottom and mid-water trawling for mainly hake and squid.

The ship is the *Puente Sabaris* built by Astilleros Gondan to a design by naval architects Tecnaco de Vigo, Spain, and she is ice-strengthened and constructed to class +100 AI Stern Trawler + LMC + RMC Ice Class 1D.

motors is installed to power the services aboard the vessel and her refrigeration equipment includes units by Itur, Turo, Alfa-Laval Azcue and Vickers.

Three Grasso compressors with Indar motors operate the freezing plant aboard the ship which is equipped with six metric tons a day plate freezers from the Vigo firm Hermanos Rodriguez Gomez.

## Power

Main dimensions of the freezer ship are: length overall, 67.7 metres; length bp, 58.2 m; and maximum draught, 5.07 m.

She is powered by an Anglo-Belgian Corporation model 8MDCZC-750-179 A main engine of 1931 hp at 750 rpm which drives a 3200 mm diameter propeller via a Valmet-Balino type M1V600+S350 reduction gearbox. The propeller is mounted in a Kort nozzle having a stainless steel inner ring.

Her auxiliary engines are grouped in three and comprise Volvo Penta units of 324 hp at 1500 rpm (type TAD 121 CHC).

A wide range of electric

A total of four Baader skinning and filleting machines are installed aboard the ship which has a comprehensive system of conveyor belts on the factory deck.

## Comfort

Injected polyurethane foam is used to insulate the fish hold, while the temperature can be maintained at -25 deg. C by cooling tubes mounted on the deckhead of the hold.

Crew comfort is important on vessels equipped to operate on five-month trips and the *Puente Sabaris* has single cabins for the officers and chief engineers, plus further cabins for her total crew of 34.

## Poles go for 11 ships

**TWO of 11 trawlers to be built for the Polish Deep-sea Fishing Enterprise Odra are to be built in Portugal.**

Poland is a major ship-builder and exporter of

ships, so it is an unusual move for a fishing enterprise to look to a foreign yard for new tonnage.

Six Spanish and two Portuguese yards tendered for the contracts and the shipyard Sao Jacinto at Aveiro, Portugal, won the contract. It is building the ships with a 30 per cent Polish content in that their main engines will be H. Cegielski Works models and other Polish-made equipment will be installed.

The Portuguese-built trawlers will be able to fish with jigs and they will have an overall length of 76.35 metres, beam 14.6 metres

and deadweight capacity of 1000 tons. The vessels would have a target catch of 7000 tons a year and be capable of a speed of 14.8 knots.

The fishing enterprise at present operates 37 trawlers, but many are old and need replacing. Twenty ships will be withdrawn by 1990. These ships are of the B-20, B-23 and B-18 series built in the 1960s.

While the enterprise is expecting catches to drop while its fleet is being updated, it estimates that its total production will rise by 50 per cent when the new trawlers are in service in about 1990.

## FREEZING DEAL

**RYBEX, Poland's fish exporting organisation, has concluded a deal with one of America's three largest fish processing enterprises.**

The organisation previously dealt with the company, Paul's Kitchens, before 1983 and the latest contract will be beneficial to both parties.

American fishermen operating in the Pacific will supply Polish ships with fish which will be frozen in blocks and sent to American fish factories.

## Falklands joint venture success

THE FALKLANDS fishery is developing into one of the biggest operations of the Hull, England, fishing and shipping company J. Marr Ltd.

J. Marr is now employing over 100 people on its Falklands venture which, now in its second year, sees 27 Japanese and 12 Taiwanese jiggers fishing squid for the company, the latter from the Taiwan Squid Fishery Development Group.

The subsidiary Marr (Falklands) Ltd. is taking on islanders to assist, including some with seagoing experience to man the two Marr-owned ships *Falklands Right* and *Falklands Desire* which have been chartered to patrol the islands' new fisheries limit.

Among those taken on are two 16-year-olds from Port Stanley who will sail for six months locally and, if they are satisfactory, they will come to the UK to attend recognised training courses.

Marr reports that a Scandinavian monopoly in the operation of reefer facilities has been broken, with Marr now organising shipments through one of its own experienced staff.

Mr Jim Hind of Marr describes the company's Falklands operation as a "model of successful co-operation."

## ***BUT now defunct***

**ASSOCIATED Fisheries of London reports that its commercial fishing interests are now solely the vessel management company Caley Fisheries following the run-down of British United Trawlers (BUT).**

Humber-based BUT was once one of the largest trawling companies in the world, but a series of events in international fishing led to its demise.

"BUT is now totally inoperative," AF says in its interim report for 1987. However, reasonable landings and buoyant market prices for white fish have improved profitability for Caley's Scottish operation.

AF operates the fish processing and trading companies D.A. Macrae, Affish B.V. and W.G. White Ltd., which have made profits slightly below last year.

The parent company, however, sold B. & A. Britton Ltd. to Unigate (UK) Ltd. and disposed of the loss-making Seasalter Shellfish Ltd., according to chairman H.K. Fitzgerald.



# Meat-eating Argentina fishes for export

THE PRESENT financial situation of most of Argentina's fishing enterprises shows a high index of indebtedness and inadequate working capital, which makes it difficult for them to function. Levels of activity have fallen but the government is planning measures to remedy the situation, reveals FAO in its fishery profile of this South American country, where most people prefer to eat red meat than fish.

For Argentina, the importance of fishing lies, first, in its capacity to earn foreign currency to offset the huge external debt; secondly, in its ability to carry out further development in the Patagonian region; and above all, in the fact that the resources are near its coasts.

Looking at development prospects, the FAO profile notes that short-term development will depend on exports and how the difficulties confronting the fisheries are overcome.

Although Argentina has been concentrating shipments on a few destinations, this may in future lead to the recovery of markets abandoned mainly because of internal Argentine difficulties.

Considering Argentina's share of the world trade in frozen fish products, finding outlets on the external market should present no problems in the medium term.

But an effort will be needed to reduce costs and maintain quality and regular deliveries.

Species such as anchovy, tuna and species in the zone further south of the 46th parallel could be the basis for expanding fishing.

The National Institute for Research and Fishery Development (INIDEP) provides the scientific support needed for the rational exploitation of resources, and for avoiding overfishing. There are also centres in Patagonia working along the same lines.

INIDEP has two modern research vessels capable of operating in all latitudes of the Argentine EEZ. And there is a vessel conducting coastal research, and one for the River Plate. The Institute also researches fishing methods and gear, and production technology.

The Centre for Research on Fishery Technology (CITEP) conducts research on fish products.

Outlining the aid given to the country, the FAO profile says that between 1966 and 1974, a UNDP/FAO/Argentine government fishery development project was in operation and conducted important work connected with research on anchovy

and hake, use of fishing gear and marketing.

Later, two research vessels operated in Argentine waters (one from West Germany and another from Japan), and, with financial assistance from these governments, two research vessels were constructed for Argentina which are at present operated by INIDEP.

FAO recently made a report on aspects of national fishery management and development where international assistance would be feasible.

Argentina's fishing activities are carried on exclusively by private enterprises. The state, the owner of the resource, grants fishing concessions to vessels flying the Argentine flag in the EEZ.

Argentina's fishing fleet consists of 17 factory vessels totalling nearly 35,000 gross tons; 27 freezers; 140 traditional offshore vessels; and 329 coastal craft.

The factory vessels — catching, processing and freezing headed and gutted type products, fillets and meal — and the freezers — catching and freezing headed and gutted — belong mainly to joint Argentine-Spanish ventures and one Argentine-German venture. There is also a Japanese-funded venture.

These vessels are based principally in Puerto Madryn and Puerto Deseado — some of them temporarily in Bahía Blanca — and fish for hake, squid and similar species. Lately they have also been catching langostino, *Hymenopenaeus muelberry*.

The traditional offshore vessels 25 to 65 metres long account for 65 per cent of landings. They all have refrigerated holds and are usually operated by enterprises that process and freeze catches on land, mainly in Mar del Plata.

They catch hake, squid and similar species. They have also caught croaker and striped weakfish for export to Nigeria, and also langostino.

The coastal fleet, which includes small craft up to 25 metres long, traditionally fished for commercially valuable species for the internal market (and to a lesser extent for refrigerating plants) and anchovy for the canning and salting industries. Recently it has been catching fish to be refrigerated and exported to the African market.

Many coastal vessels have turned to langostino fishing, moving to ports in the province of Chabut (Rawson, Caleta, Cordova and Camarones). This fleet's contribu-

tion to total landings fluctuated between 20 and 30 per cent, but in 1984 it barely reached 16 per cent.

As regards distribution by species, the most important is hake which accounts for 60 to 70 per cent of all landings. Next comes squid (25,000 tons a year, a drop of 59,000 tons over 1979) and solenocid shrimps (20,000 tons a year). Another important species for the coastal fleet is anchovy, which is, however, under-fished (10,000 tons a year, only one per cent of what the resource could stand).

Mention should also be made of seabream and grouper, and larger landings of croaker and striped weakfish.

Most of the fish processing capacity in Argentina is

## FAO COUNTRY REPORT

in Mar del Plata. The frozen fish industry, the most important and dynamic in the sector, has considerable capacity, which is at present underused. The salting, canning and fish meal industries are also mainly in Mar del Plata.

Some plants supply the internal market with fresh fillets and whole fish. Sardines and tuna are also canned for the internal market, with a small export flow to neighbouring countries. In 1984, Argentina's fish exports amounted to 195,000 tons (liveweight).

Salting factories are usually small-scale family affairs. They process anchovy in brine for the internal market. There are some well organised enterprises, with excellent facilities, that salt the product and process part of it in the form of anchovy fillets in oil, which are well accepted on the external market.

## Falklands wreck stabilised

Merseyside Maritime Museum, in conjunction with the Falklands Islands Foundation, has stabilised the condition of the three-masted ship (later barque) *Jhelum* where she lies at Pack's Jetty in Stanley.

The *Jhelum* was built at Liverpool in 1849 by Joseph Steel, who was also her first owner, on a site in the Liverpool South Docks which is no more than 200 yards from the Merseyside Maritime Museum. She was very strongly built with the latest iron fastenings but her general design was very similar to her 18th century predecessors. Very shortly after her launch Liverpool ship-builders turned from wood to iron.

The *Jhelum* was small with a cargo capacity of about 600 tons. She spent most of her sailing career hauling coal from the United Kingdom to the west coast of South America and bringing back copper ore or guano.

In 1870 she sought refuge from the gales of Cape Horn at Stanley but her owners could not afford the cost of her repairs and she was sold as storage hulk. Her after end was roofed over and a large loading hatch cut through her.

After over a century as a hulk with little or no maintenance she has deteriorated and this has become a very rapid process in the

last few years. As a piece of maritime archaeology, say the museum, she is of first-rate importance as no other merchant sailing ship of her era exists in as good a condition.

Merseyside Maritime Museum therefore undertook to stabilise her condition while her long-term future could be worked out. In addition, the museum was extremely anxious to carry out a detailed archaeological survey and to gather all possible information from the ship.

The conservation work started in November, 1986, when volunteers from the Kings Regiment (the local Liverpool regiment) stabilised the bow section by fitting wire rope ties to her. This work was followed up by the museum in January.

Mike Stammers and John Kearon (assistant director and ship manager) rebuilt the roof of the stern section to make it watertight; cleaned, treated and covered exposed deck beams; refastened loose planks and covered exposed frames to stop the attack of the waves; and shored up the forward starboard side which was threatening to collapse.

It is hoped to make the *Jhelum* an ongoing research project for Merseyside Maritime Museum.

# Paradise regained for naturalists

CHARLES DARWIN was probably the first Englishman to give the Falklands a bad name. 'Deslotted and wretched,' the naturalist noted when he went ashore from HMS Beagle in 1835.

Perhaps it was one of those grey days of unremitting drizzle when the dawn appears to have failed and the peat moorland sucks at your feet. These can occur at the height of a Falklands summer (December) despite the beguiling brochures pointing out that the islands lie in a temperate zone, on the equivalent southern latitude to London, and that the annual rainfall is less than the United Kingdom's. Even so Darwin was being unfair to a place that is a naturalist's paradise.

This was my second visit since what the locals call 'the conflict.' The twice weekly RAF flights from Brize Norton, the old bomber base in Oxfordshire, make the journey practicable if expensive. I hope it won't be my last visit.

Quite apart from its wondrous array of wildlife, both the land and its people have a certain gritty charm that will undoubtedly appeal to the kind of visitor whose idea of the truly desolate and wretched is being slowly basted on a crowded

## TIME OFF

COLIN SMITH finds  
that the Falkland  
Islands are ready for  
tourists

beach besides a turd-filled sea.

In the Falklands there is so much space that the minefields simply have been fenced off and left until somebody thinks of a way of dealing with plastic mines. The penguins are the biggest crowd, manning the beaches like some heroic rear-guard and under constant attack by dive-bombing great skuas, the F-15s of Falklands bird life, who don't mind buzzing humans and have been known to unseat a motorcyclist.

Much more appealing are the elephant seals, monstrous garden slugs with cat's faces sleeping it off like drunks among the 10 ft tussock grass and hissing at you when you scratch their backs. As for its water it must, along with the air, be among the least polluted in the world.

There is nothing exotic about the notion of the Falklands having a tourist industry. Before the Argentine invasion it played host to a steady trickle of Americans and the more adventurous kind of German and Scandinavian.

But there was never any tradition of British tourism. The only regular visitors from 'home' were the Antarctic Survey and the rotating garrison of a few dozen Royal Marines who, in the sleepy years before Galtieri waived the rules, managed to marry enough local women to form a now thriving 'Green Beret' club in Stanley.

Accommodation has always been the main problem in camp, the name derived from the Spanish *campo* which covers the entire area outside Stanley—a territory about two-thirds the size of Wales and home to the 800 islanders who do not live in the capital. Spanish words were introduced mainly by nineteenth century gauchos employed to look after the cattle that were the main livestock before it was realised sheep were a better deal.

The gauchos were sent back to Patagonia en masse after a killing and few Falklanders speak Spanish. Despite this, Mally, short for Malvinas, is a

■ Five companies offer holidays in the Falklands using the RAF flights.

Twickers World, the pioneer, has departures in November, December, January and two in February. Prices from £2,450. (Tel: 01-892 8164).

Page & Moy has five tours from January to March, three focusing on wildlife and two for stamp collectors. (Tel: 0533 542000).

Ian Dickson Travel Service in Edinburgh offers four tours from

## FACTS

December to February. One of these is a specialist fishing tour which costs £2,450. General interest tours cost £2,675. (Tel: 031 556 6777).

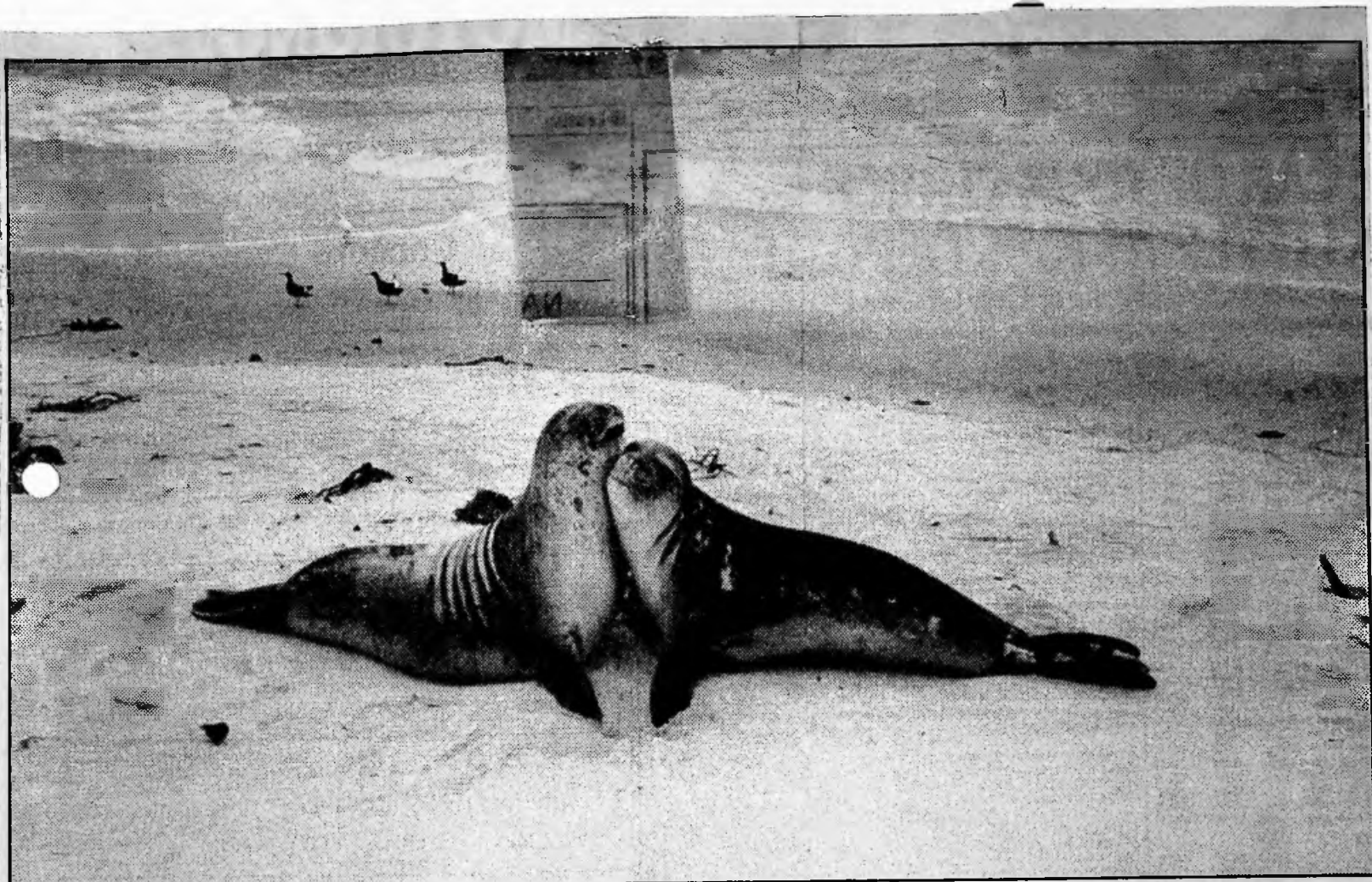
Major and Mrs Holt's Battlefield Tours has a party on 5 November, visiting all the main Falklands War battle zones. These cost £1,995. (Tel: 0304 612248).

Island Holidays offers tours led by naturalist Bobby Tullock

in February and March. Cost £2,595. (Tel: 0764 70803).

Civilians can buy tickets for the RAF flights through the Foreign Office. The Apex fare is £1,150. Details from the Foreign Office at: Falkland Islands Department, WH 225, FCO, London SW1A 2AH; or telephone 01-270 2753.

Additional information from: Falklands Islands Tourism Information Office, 126 Weatherby Road, York YO2 5BY. (Tel: 0904-782136.)



Love in a temperate climate. Cubs at play on Pebble Island. Picture by Colin Smith.

popular girl's name and we spent a couple of nights at a guest house in Stanley called the sar. 'It's always been called the Malvinas and only banana republics change the name of things,' said the owner, a Borneo veteran of the Green Beret club, who had spent some time paddling the same canoe as Paddy Ashdown, the Liberal MP, when they were both learning cloak-and-dagger stuff in the Special Boat Section.

Three tourist lodges have been established in camp. Two are purpose-built with fitted carpets and en suite bathrooms. One is on Sea Lion island, the most southerly inhabited island in the archipelago and also the most northerly landing point for a King Penguin, a truly

arctic bird. During our visit there was a single King present, a young one trying to hide in a rookery of Macaroni penguins. As he was at least a foot taller this was a bit like Clint Eastwood taking cover among the Seven Dwarfs.

The other recently completed lodge is on Pebble Island off the northern coast of West Falkland. There is a plaque on its grass landing strip, where the Britten-Norman Islanders of the Falklands Government Air Service make sideslip landings in howling crosswinds, reminding visitors of the night the SAS dropped in and banjoed 11 parked enemy aircraft.

On Pebble we got closer to a pair of rare and extremely shy black-necked swans than most

human beings ever will and then spent an afternoon on the ledge of a cliff watching some sealions dividing their time between snoozing and making roaring fools of themselves over a harem of slippery lionesses.

The third lodge is a converted manager's house at Port Howard on the east coast, a delightful spot of svelte meadowland criss-crossed by gold topped gorse hedges in summer bloom. Not far away is the little fenced-off graveyard where the SAS hero, Captain John Hamilton, MC, lies. He ordered his signaller to run for it when their hideout was discovered and then, shot in the back during the initial exchange, fought until the end. The Argentines who killed him said he was the

bravest of the brave, and sent all his personal belongings back to his wife.

Now his countrymen might fish for the monster trout that inhabit the stream below his grave or play the tough guy by yomping up Mount Maria, clattering over the loose rock runs that so added to the stress of night patrols. These rivers of rock that ribbon the countryside from the higher ground are a geological mystery, nobody is certain how they got there.

For those who would prefer to ride, horses are available although I would urge caution on the inexperienced. When we posed for photographs in the paddock, Blueboy seemed a safe enough bet with his pepper and salt coat and a

reassuringly sluggish demeanour.

But once out of the gate Blueboy underwent a kind of Superman metamorphosis. In seconds he changed from a walk to a brisk trot, then canter and soon, despite my pleas, an electrifying gallop. We soon parted company. While I gave thanks for that springy turf, Blueboy gazed down at me with large, reproachful eyes.

It turned out he was a recently retired point-to-point champion, many times winner of the Governor's Cup. 'King of the West we call him,' said his owner, anxious for my dented pride. 'I'm not quite sure he's ready for tourists.'

Blueboy may not be there but, if you can afford the air fare the Falklands are.



### SNAPSHOTS

■ It is said that the new Center Parcs holiday village at Sherwood Forest is the sort of development the English Tourist Board has sought to encourage for years. Quite right too.

Last weekend I drove north to find that this Dutch creation has set down strong roots in its English forest. A wet weekend failed to dampen the spirits of the families occupying the 600 villas.

There is so much to do. In two days we managed to play tennis (twice) and squash, go ten-pin bowling, avoid the fun run and, of course, swim endlessly underneath the giant dome. The village was full but with a little forethought it was possible to book any of the activities and the pool was never unpleasantly crowded.

The village strictly adheres to the Dutch formula (having visited one of the nine Dutch parcs, I could find my way round). However, there were two encouraging British aspects: the visitors—the sort of families you might meet at a Marks & Spencer check-out, not a yobbo in sight. And the service; the staff were unfailingly helpful and friendly.

It is not cheap (apart from the swimming, sports have to be paid for) but it is excellent value. It is also heavily booked. Details from 0623 824824.

■ Interchurch Travel, part of the Thomas Cook group, may have adopted a clichéd title for its August 1988 tour of Greece and Turkey, 'In the Steps of St Paul.' But it has found an original escort—Archbishop Desmond Tutu.

■ 'Howards' Way' is the latest BBC soap opera to receive treatment from the marketing crew at BBC Enterprises. Southampton Tourist Office is offering a special weekend in October based on the BBC TV programme.

It costs £55 for two nights bed and breakfast at a three-star hotel and includes a reception with a member of the Howards' Way team and tours of the locations. Details from the tourism unit at the Civic Centre, Southampton SO9 4XF (Tel: 0703 832695).

Desmond Balmer

27 AUG 1987

### Falkland affairs

*From Mr Neville French*

Sir, Your leader, "Riches around the Falklands" (August 18), implies that the Falkland islanders have hitherto been denied any role, even a "consultative and advisory one, in their foreign affairs". This is quite wrong.

The record of the islanders' participation in high-level discussions and less formal talks in several venues dates back to the mid-70s. They were normally represented by one or more members of Executive Council, who unfailingly acquitted themselves well.

A key episode in the consultative process was the meeting in Rio de Janeiro in May, 1975, with the FCO Minister of State, then Mr David Ennals. A quartet of councillors, led by myself as Governor, went well briefed after consultation with a representative spread of the islands' opinions and interests.

Top of our "shopping list" was defence and specifically the reinforcement or replacement of HMS Endurance by a "grey" warship. Not surprisingly, this was rejected, mainly on cost grounds. However, since foreign affairs and

economic advances are necessarily interwoven in Falklands affairs, HMG's prompt acceptance of our proposal for a comprehensive economic survey was a distinct mark of success.

Lord Shackleton's survey of early 1976, from which emerged his admirable two-volume report, again reflected much close listening to the islanders. It was tragic that virtually nothing was done by British governments of both complexions to act on it: a bloody campaign and vast expenditure were required to stimulate anything of substance.

Throughout the seventies the islanders steadily adapted to fairly close cooperation with the Argentines, partially offset by some clumsy goads by the latter, not least through the establishment of the air link to the mainland and the building and subsequent extension of the first airstrip by Argentine engineers. All ruined, alas, in 1982 — but surely not for ever.

Yours faithfully,  
N. A. I. FRENCH (Governor  
and Commander in Chief,  
Falkland Islands, 1975-77),  
Whitestop House,  
South Perrott,  
Nr Beaminster, Dorset.  
August 19.



27 AUG 1987

### **Fire damages nuclear vessel**

The Navy is investigating a fire that caused the evacuation yesterday of HMS Conqueror, the nuclear submarine responsible for the sinking of the Belgrano during the Falklands conflict.

The fire started in the engine room while the submarine was undergoing a service at the Devonport dockyard in Plymouth. No one was injured.

# Another invasion of the Falkland Islands

**THE FALKLAND ISLANDS AND THEIR NATURAL HISTORY** by Ian Strange - David and Charles, £12.95 hardback.

THE Falkland Islands are about to be invaded again.

They were the sole topic of conversation when discussions about 'foreign' birdwatching venues cropped up, both on a recent visit to Florida and when the World Nature Association came to Guernsey for their annual meeting.

American birdwatchers are set to invade these wild, barren islands which list nature and impressive scenery as the major attractions to tourists.

Great travellers, the Americans will pour high finance into the archipelago and soak up the delights offered by huge seabird colonies (in the sense of both great numbers and large birds), big mammals, impressive plants and a few rare species which are unique to the Falklands.

Strange's 160-page book is bound to be a best seller as a result.

After all, it was doing quite well in the first and second editions before President Galtieri sent his men to the islands.

Details of the fantastic rockhopper and king penguins, black-browed albatross colonies, the flightless steamer ducks, Upland geese and the amazing striated and crested caracaras were already pulling the visitors to the shores of the islands.

## NATURE NOTES



by Tim Earl

The wonderful flora - plants normally found on mainland South America or on the frozen shorelines of the Antarctic - had their devotees.

And for mammal watchers huge sea lions, fur and leopard seals dragged themselves up the beaches to breed while boat trips gave views of porpoises, dolphins and whales.

It is no wonder the Yanks are coming, and they will not be alone.

Many British birders have seen the sole, lost albatross which snuggles up to a Scots gannet colony each summer, but the sight is hardly as impressive as the pictures in Strange's book.

And the increasing thrill of the ever-expanding life list of birds seen is spurring birdwatchers to ever further and exotic destinations.

They, too, will go to the Falklands.

The third, and minor group, to take a taste of a South Atlantic adventure will be Channel Islanders.

We have a special affinity to the islands - they are one of the few places to suffer under an invading dictator in the same way that we did.

True, theirs was a shorter experience, but the similarities were such to prompt large relief payments to their shocked community once the Falklands were relieved.

All the visitors will need *The Falkland Islands and Their Natural History*.

The book is true to its title and covers the subject

pictures in the publication - although the black and white shots are of such a high quality the book does not really need them.

A better way to spend the cash would have been to employ another photographer to get the missing pictures - the book is heavy on penguins, albatrosses and cormorants, but misses many of the other gems to be found.

Where are the small birds, like the Falkland thrush, Falkland pipit and grass wren, or even the prions and petrels which nest in such numbers among the tall tussock grass?

Happily the giant petrels, which seemed to glide through every sea-shot taken during the conflict, have one of their kind featured.

More pictures of the many wonderful plants would be better - Falkland cudweed, pale maiden and Felton's flower are listed among 14 species of endemic plant.

These are minor faults, the book will tempt many to the islands' shores... and there is always the fourth edition.

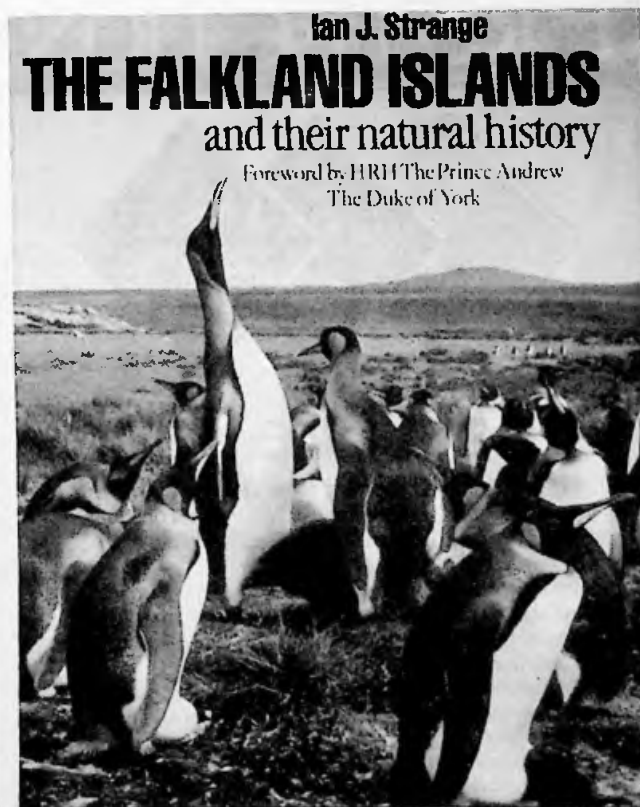
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of the islands AND the wildlife.

It has beautiful pictures, in both monochrome and colour, of the settlements, people and their way of living, capturing the atmosphere and excitement.

Ian Strange writes of the Falklands' history and describes the various ecological areas. The book also lists the major plants, birds and mammals to be seen.

He pays tribute to the Falkland Island Development Board who have sponsored the use of colour



# Prising the oyster out of bed



THE Butley Orford Oysterage, poised on the edge of the Suffolk sea coast, has exerted over the years a salivary pull on the smoked fish enthusiast. That includes most of us if we ignore the carcinogenic scare that smoked food gets saddled with at intervals.

From the start, the restaurant was planned as a tasting bar for the products. But now the floor above is being opened up and the founder, Richard Pinney, talks of having a proper restaurant upstairs which will hold 40 people. The excellence of the smoked fish and oysters explains why the old tasting bar was so popular for, alas, there was little comfort there.

Seated on hard chairs at minuscule tables with a service from local girls which sadly was too often off-hand and awkward, one wondered whether the experience was worth it even though the bill was always low. The old tasting bar was run by Mathilde, Mrs Pinney, who could seem almost as abrasive as the oyster shells. She told me she had once watered her clematis with liquid fertiliser which had turned out to be paraquat and sometimes, while eating there, I knew what the clematis felt like.

The present oyster is the Pacific or gigas: they can be as plump as a poached egg and are excellent for cooking. Yet most people will eat them raw and, between them, consume 40,000 to 50,000 throughout the year. The oysterage buys 200,000 seed oysters — spat — each year from Seasalter Hatchery in Kent to rear at the Pinney oyster beds in Butley creek.

These lie past the carefully restored medieval castle where Eleanor of Aquitaine introduced the first vines to these

shores, across fields of broad beans to where the North Sea has heaped up the silt and shingle that became Havergate Island, now a nature reserve.

Richard Pinney discovered the place in 1945 when escaping war-torn London and wondered how to make a living. The place teemed with rabbits. He shot them and sent them down to London restaurants which, confined within the rigours of rationing, were desperate for meat and game.

Then myxomatosis struck. Pinney looked around him; no rabbits but all the freshwater rivers and dykes were thick with weeds and rushes. He began a rush matting and basket enterprise which boomed but then became interested in the few native oysters which still survived in the Orford river.

The native has a close season when the female holds within her the oyster larvae which turns the oyster black. Another oyster, the Portuguese, spawns directly into the water. Pinney imported Portuguese seed and grew both them and the native.

An Orford fisherman once whispered to him: "If you want to lose your money, put it into oysters." But Pinney did, surviving several near disasters. The last was not to buy seed that year from the Helford beds which, unbeknown to them, had already caught the bonamia disease that can wipe out the population for five years.

The Pacific oyster strain is free of bonamia and is hardy in the British winter so can be eaten throughout the year; it takes three years to reach maturity. When the spat arrive, they are put into mesh bags, 8,000 to a bag, and stacked in frames which are lowered into the water. At low tide, they are revealed for an hour. The bags are thinned every month as the

spat grow while the runts die off.

The population in the bags decreases to 500 and the survivors are finally distributed on the river bed, where they can be attacked by predators — crabs and the oyster catcher.

The paths towards the creek are indented with discarded shells, some patches are even marked with lemon quarters, like a faint shadow of a vast sybaritic feast.

The state of the weather influences how long the fish are smoked for, though each type of fish has a different timescale. Less smoking occurs if there is a dry easterly wind. If the weather is hot and humid, the fish hang in the smoking cupboard for as much as an extra day and a half.

Salmon are split and salted for ten hours, then smoked for 28 hours at least. Trout is placed in a brine for two hours and then hot smoked with sprats and mackerel. The oilier fish need longer in the brine.

The smoking device was designed by Pinney; only oak logs are used and the smoker can, by opening a vent, go from cold to hot.

Each year they buy about £50,000 worth of Irish salmon. They never use farmed salmon, insisting that their customers would recognise the difference. They are particular about the good quality at the source, claiming that only Icelandic cods' roe will do, that Japanese trout and Falklands squid are the best, though they use local herrings and sprats.

Richard Pinney's son, William, who now runs the business, has become over the years a knowledgeable fisherman of local waters. The long lines for trawling, already baited, lie coiled in the cold store. It was William who caught, last year, the 48 pound turbot. It was sold to Hintlesham Hall.

SOLDIER MAGAZINE  
24 August 1987

# TAGGED AGAIN!

SOUTH Atlantic veteran Sgt Alex Kozliwski returned to the Falkland Islands earlier this year and found not only the gun pit he and his crew had occupied on the slopes of Mount Kent, but inside it the dog-tags he had lost during the 1982 campaign.

Returning almost five

years to the day after he and the 105mm gun crew had fired more than 1,500 shells from that one position alone on to Argentinian positions ringing Stanley, Sgt Kozliwski knew exactly where to look for the tags.

"Things were very much as they were then," said

Sgt Kozliwski. "I was surprised to find the gun position in such good condition. I had taken my tags off while I was having a quick wash and forgot to put them on again. They were exactly where I left them, complete with a phial of morphine."

## 'No threat' to warship from mines

LIMPET mines have been discovered attached to a yacht in Valletta harbour, Malta, near the British frigate Broadsword, the Ministry of Defence confirmed yesterday, John Lichfield writes.

Officials said the yacht passed within a few hundred yards of the frigate, a Falklands veteran. But the Broadsword, which was returning from duties in the Gulf, was "at no time endangered".

The ministry was commenting on a report in the *Mail on Sunday*, which said the yacht was owned by the Palestine Liberation Organisation.

The mines had been attached to the hull of the 100-ft motor yacht Angel, which had six people on board. The explosives were discovered by police investigating a suspected gun-running operation. It appears the mines had been fixed to the yacht by a third party. They were removed and detonated at sea.

## £90m plan for ship conversion

By John Petty  
Shipping Correspondent

CONVERSION costing £90 million, of a merchant ship into a warship to carry a full Commando brigade of 803 men, plus vehicles and a dozen helicopters, is under consideration.

It would involve the Contender Argent, a sister ship to the Contender Bezant, which went to the Falklands and was recently converted to become the Royal Fleet Auxiliary Argus.

The scheme has been put to the Defence Ministry as a joint project of British Aerospace and Sea Containers.

The Contender Argent, at present on a voyage to Hongkong, has a displacement of about 28,000 tons—similar to the Hermes, which has been sold to India.

The converted ship would have a 170-metre flight deck, with space for additional helicopters and landing craft.



## Soviet trawler retreats in first Falklands clash

**T**HE FIRST feared confrontation in the Falklands fishing zone between an unlicensed Russian trawler and a British patrol vessel has ended peacefully.

The Russian captain, despite insisting that he was fishing in international waters, obeyed orders and withdrew.

Captain David Noble, of the Falklands Desire, one of two vessels which patrol the 150 miles zone, was convinced that the trawler was half a mile inside the licensed area.

But the Russian captain said that his navigating equipment showed he was on the very edge of the zone.

Unlike the Poles, Russian and Bulgarian companies did not seek licences to fish within the zone, declared by the British Government late last year. Both

countries have fishing agreements with Argentina.

Falklands fisheries officials are keeping a close watch on trawlers from the two countries, which have tended to veer closer to the protected zone.

### Significant move

It is thought that the Russians, in particular, may alter their stance and apply for some licences before next season.

A most significant move was the first application by a Russian trawler captain for a licence to transfer his catch to a Polish reefer in Port Stanley harbour.

Nobody is sure whether permission was sought from Moscow for this unprecedented move. Russians traditionally trans-ship on the high seas and have always refused to use Falklands harbours.

# Press Cuttings

from Broad Street Associates THE GUARDIAN

24 AUG 1987

## **Soviet trawler quits Falklands**

THE first confrontation between Britain and the Soviet Union in the 150-mile Falklands fishing zone has ended peacefully, it was disclosed yesterday.

An unlicensed Soviet trawler fishing half a mile inside the zone, which came into force in February, was given a warning by a patrol ship. The Soviet skipper maintained that he was on the zone's edge, but withdrew.

## Sheffield, warship for 21st century

By Nick Farrell

THE ANTI-SUBMARINE frigate Sheffield underwent her first day of sea trials yesterday with the captain designate pronouncing her "a ship for the 21st century".

The 4,100-ton warship is expected to be handed over to the Royal Navy early next year and be fully-operational by the end of 1988.

She is powered by two 25,000 hp Olympus engines and two Tyne engines of 5,400 hp.

Built by Swan Hunter, who were privatised last year after a management-led buy-out at the company's shipyards on Tyneside, the frigate will bristle with an impressive armoury of weapons to prevent a repeat of the fate which befell her predecessor at the hands of an Argentine Exocet missile.

Two Seawolf launchers are designed to bring down enemy missiles and aircraft as well as Exocets.

Unlike her predecessor, which was used as an anti-aircraft destroyer, the frigate's job will be to hunt and destroy submarines.

Initially she will be equipped with two Lynx helicopters, but she is designed to take the new Anglo-Italian EH101 anti-submarine helicopters currently being developed by Westland and Agusta.

### Appalling burns

Clearly the Royal Navy is anxious to learn lessons from the Falklands conflict, especially in the area of damage control and self defence.

The new Sheffield has different radar systems, Type 967M/968 and Type 1006, capable of giving the ship far more warning of an enemy attack.

Swan Hunter has spent large sums of money on low-fire hazard wiring and materials throughout.

When her predecessor sank on May 4, 1982, with the death of 20 of her crew of just under 300, many suffered appalling burns and shrapnel wounds from the splintered formica bulkheads.

To prevent such injuries the formica panels are now steel-laminated and the PVC-insulated wiring which allowed the flames to spread so rapidly, has been replaced with a more heat-resistant substance.

Additionally, cotton underwear is now mandatory for the crew, as are horsehair mattresses and participation in survival courses.

"Anything that can burn has been eliminated as far as possible from the ship," said Swan Hunter's joint managing director, Mr Alex Marsh.

### Exocet defence

The captain designate, Nicholas Barker, who commanded Endurance in the Antarctic before and during the Falklands conflict, and who warned the Ministry of Defence of an imminent Argentine invasion, said: "The sensors on this ship are quite different from the previous Sheffield."

"The warning is far earlier and the action we can take as

a result would counter any known missile. We could stop an Exocet by decoying and we could seduce it away from the ship.

"If an Exocet got through there is no doubt that we could now survive a hit from one."

However, Capt Barker expressed concern that doubt still remained as to whether the ship would be equipped with Phalanx, a Gatling-gun type defence weapon capable of firing thousands of rounds a minute.

The captain, who is the author of two novels, said he

was extremely pleased with the trials, which are due to last a further week.

### Happiest years

"We all feel very proud to be in this ship, it's a fantastic name, it's the best-known after the Ark Royal in the Royal Navy," he said.

"It's not only a privilege to belong to a ship called the Sheffield, but I am very happy to date that things have all gone so very well."

"In my view this ship is a 21st century ship."

The crew of about 30 who are already in place include CPO Brian Savage, 36, from

Mansfield, Nottinghamshire, who served in the previous Sheffield until 1980 before transferring to the Coventry, which also sank in the Falklands.

CPO Savage, who lost many friends on his old ship, had asked to join the new Sheffield.

"I had three of my happiest years in the Royal Navy in the Sheffield and I hope this one will be as good," he said.

The order is worth £70 million to Swan Hunter and the total cost of the ship when fully kitted out is expected to be £150 million.

Press Cuttings  
from Broad Street Associates

DAILY TELEGRAPH 2 2 AUG 1987

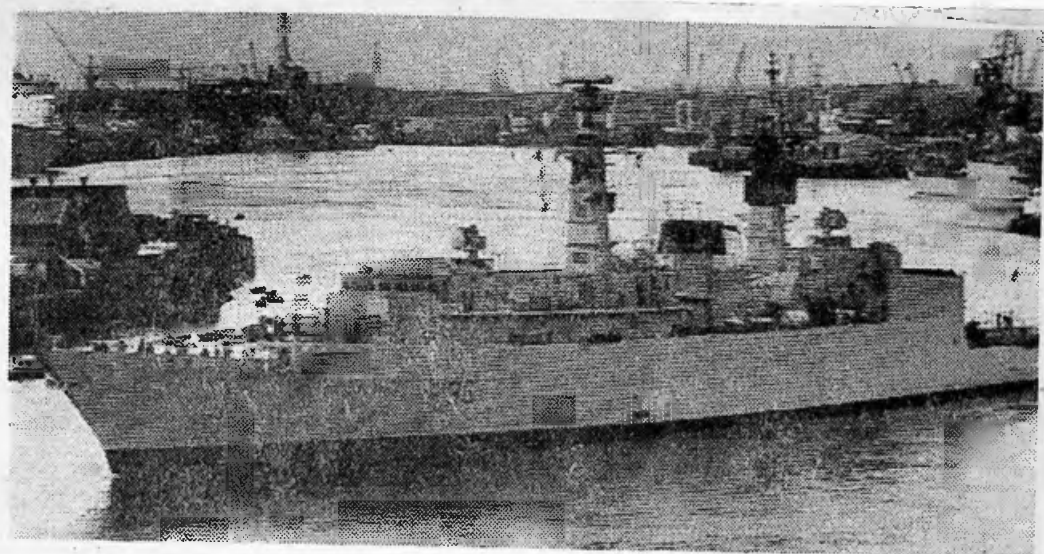


**Exocet survivor:** CPO Brian Savage, who survived the sinking of the Sheffield in the Falklands, is happy to join the new Sheffield.

# Press Cuttings

from Broad Street Associates

DAILY TELEGRAPH 3.) 22 AUG 1987



Sheffield reborn: The new frigate leaves the Tyne for sea trials.



# Press Cuttings

from Broad Street Associates THE GUARDIAN

22 AUG 1987

## Falkland veterans see new Sheffield begin sea trials

THE Royal Navy's new HMS Sheffield began her sea trials yesterday on a wave of emotion.

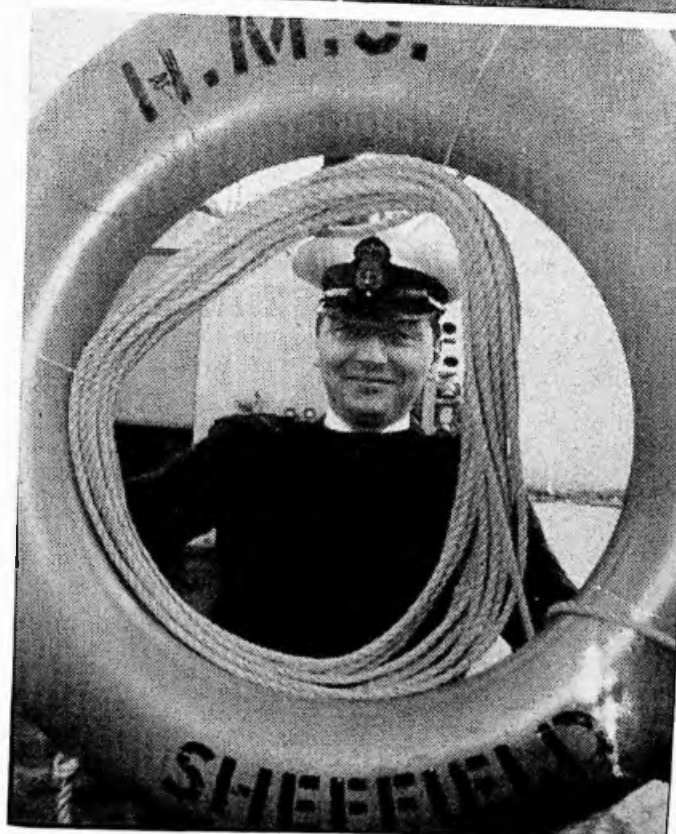
The £100 million Type 22 frigate was built to replace the vessel destroyed by an Argentinian Exocet missile during the Falklands War on 4 May 1982 with the loss of 20 lives. The new 4,100-tonne vessel is equipped with Exocets.

The new Sheffield left the

River Tyne for the North Sea yesterday to be put through her paces before being handed over to the Navy in Spring next year for use as an anti-submarine frigate.

Among those aboard for yesterday's 2½ hours of full speed trials was a Falklands survivor Chief Petty Officer Brian Savage, aged 36, who served on the previous Sheffield for three years and has now rejoined the crew.

The new Sheffield will be under the command of Captain Nick Barker, aged 54, who had the longest service of any Royal Navy commander during the Falklands conflict. He was then captain of HMS Endurance, the Antarctic ice patrol ship which was the only Royal Navy vessel in the area when the Argentine invasion took place.



*The new HMS Sheffield (left) leaving*

*Tyneside for the North Sea*

*to be put through her paces.*

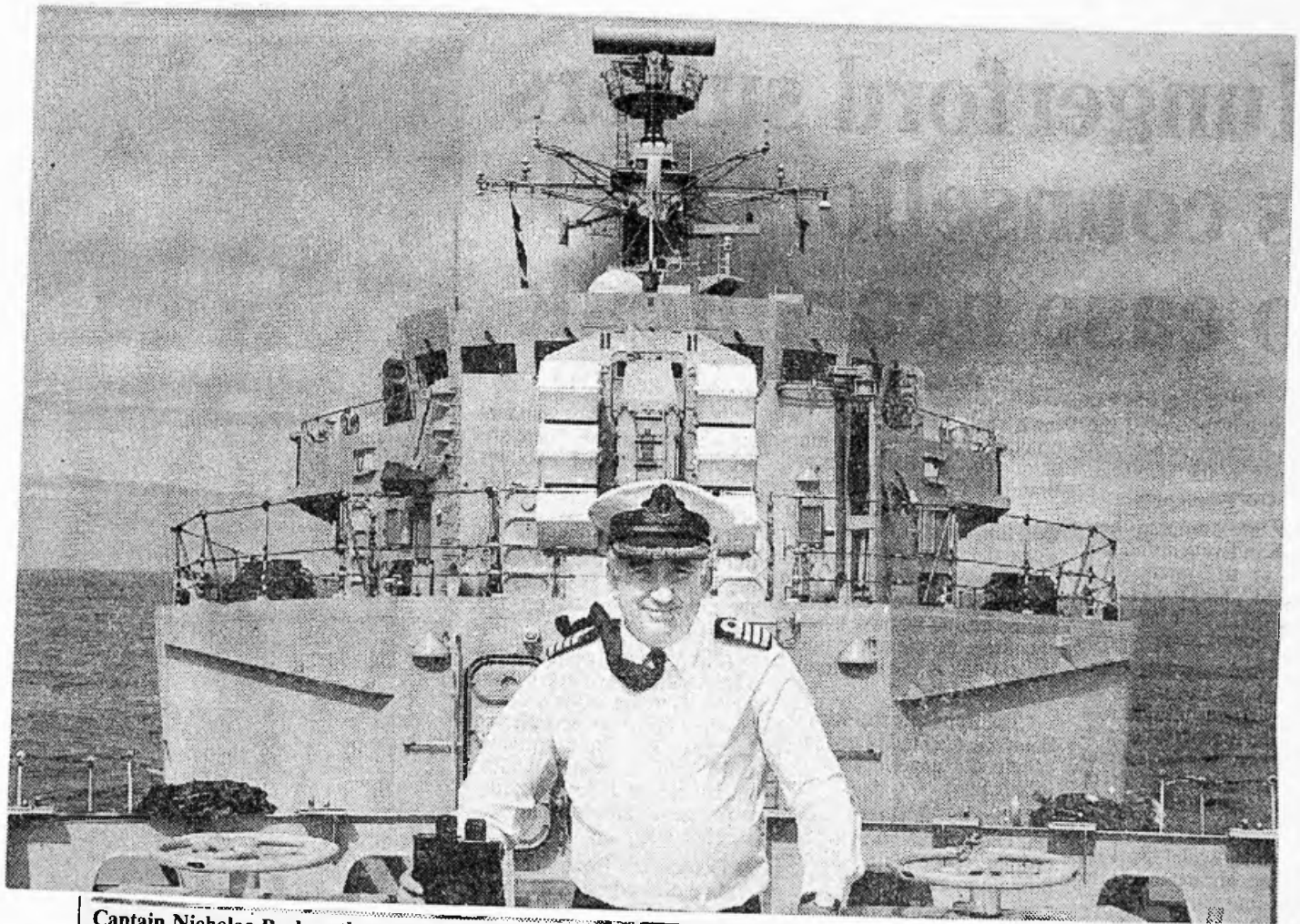


## Press Cuttings

from Broad Street Associates THE TIMES

22 AUG 1987

# The new 'Shiny Sheff' shows captain its paces



Captain Nicholas Barker, the commander of HMS Sheffield, saw the £150 million Type 22 frigate built by Swan Hunter on Tyneside end her first week of sea trials yesterday with a high speed run off the Northumbrian coast. The new frigate is the third

Royal Navy warship to bear the name Sheffield. Next Tuesday marks the fiftieth anniversary of when the first Sheffield, nicknamed the "Shiny Sheff" because of her gleaming stainless steel fittings which were a gift from the city of Sheffield,

entered naval service. The ship is the successor to the destroyer, HMS Sheffield, which sank with the loss of 20 lives in 1982, the first Royal Navy casualty of the Falklands War.

(Photograph: Mark Pepper)

# Press Cuttings

from Broad Street Associates FINANCIAL TIMES

22 AUG 1987

## Fuel for Falklands

A recently-formed Hogg Robinson joint venture company, **STANLEY SERVICES**, has been awarded a contract worth about £30m in revenue by the Falklands Islands Government to supply bunkers to vessels in the Falklands Conservation Zone. The contract is effective from the next fishing season.

Stanley Services, based in Port Stanley, will also be responsible for the supply and distribution of all fuels for the Islands, and will be involved in agency services and freight forwarding.

Hogg Robinson owns 30 per cent of Stanley Services. S. & J. D. Robertson Group, a Scottish-based oil marketing and distribution company, and Stanley Fuels, a new company whose shareholders are the Falklands Islands Development Corporation and various fishing companies who are currently operating in the Falkland waters, own 25 per cent and 45 per cent respectively.

★

FISHING NEWS  
21 August 1987

## Argentina's fish talks

**CONTACTS have been made between UK and Argentina officials in an attempt to avoid clashes around the 150-mile fishery zone in the Falklands.**

Both the British and Argentine governments wish to prevent disputes along the border of the zone where foreign fishing fleets, including 16 Spanish trawlers, have been finding valuable squid stocks.

The US State Department is delivering messages to the Argentinians from the UK, the content of which is being kept secret. Any understanding between the two coun-

tries would be the first since the Falklands war in 1982.

There is some indication that the Falklands have changed their attitude towards Argentina.

An Islands councillor, Tony Blake, called for "greater autonomy" for the Falklands during a recent speech to the United Nations.

Islanders are keen to capitalise on their new income from fishing licences

20 AUG 1987

DAILY MAIL  
21.8.87  
George Gale Column

## Let the Islands decide

LAST Friday Mr Tony Blake addressed a United Nations committee in New York on behalf of the Falkland Islanders.

He called for talks on fisheries with Argentina, Uruguay and possibly Chile, and for 'increased autonomy' for the Islanders.

British officials apparently dissuaded him from asking for 'increased independence.'

What on earth did they do that for?

We should welcome any pressure from the Falklands for talks with Argentina, any desire the Islanders may show for greater independence.

It was necessary and right for us to resist the Argentine aggression and send the Task Force. Her resolution and that brilliant feat of arms remains Mrs Thatcher's finest single achievement.

But it does not and must not oblige us to cling on to the Falklands indefinitely or to refuse sensible talks with Argentina. The Islanders, thanks to an abundance of fish, now see a prosperous future if they can reach some kind of working arrangement with Argentina.

We were — and still are — right to refuse to cede sovereignty so long as the Islanders want to remain British. But if they choose independence, we should encourage them.

If they want us off their backs, well and good.

# Press Cuttings

from Broad Street Associates THE GUARDIAN

20 AUG 1987

STANLEY Services, a recently formed Hogg Robinson joint-venture company, has won a £30 million contract from the Falklands Islands government to supply bunkers to vessels in the Islands' conservation zone.

## Falklands fuel deal for Hogg offshoot

By David Young,  
Energy Correspondent

Fuel supplies for the 2,000 civilians on the Falklands Islands and the fishing fleet operating in its conservation zone are to be handled by a new company set up by the Hogg Robinson Group.

The company, Stanley Services, has been awarded a contract by the island government. Up until 1982 fuel was supplied by an Argentinian company, but since then the Ministry of Defence has made supplies available.

The company will provide 2,000 tonnes of diesel a year for the small power station in Port Stanley, petrol for the one retail outlet, and drums of fuel for the outlying farms and settlements.

The main part of the contract will be to supply the fishing ships which are due to start operating in the new fishing zone from next February. The ships will be supplied from a tanker moored in the Stanley area and the value of the contract will depend on the size of the fleet. It could be worth £30 million a year and the new company could ultimately take over responsibility for fuel supplies for the islands' military installations.



Irish Times  
19 August 1987

## Falklands status change denied

EFFORTS were made yesterday to calm the row about a speech by a member of the Falkland Islands' legislative council. Mr Tony Blake, who made the speech to the United Nations last week, said in London yesterday: "We do not want an end to British sovereignty. We do not want discussions with Argentina which would include the sovereignty of the islands and certainly we do not want British troops withdrawn."

The Falkland Islands Office in London was sending the text of the speech back to Port Stanley in an attempt to convince islanders that no change in sovereignty was being proposed. — (PA).

## RICHES AROUND THE FALKLANDS

To the consternation of some of his fellow citizens, Mr Tony Blake of the Falkland Islands Council has taken a small step at the United Nations which could begin to break the deadlock in negotiations over the islands' future. This may or may not have been his intention but his move has highlighted important changes in the economic climate of the South Atlantic.

He proposed a regional approach to the management of fishing in the South Atlantic. While the Falklanders themselves now control the waters within a 150-mile radius of their islands, they have no jurisdiction outside — where factory ships from halfway round the world are destructively scooping up squid.

Mr Blake outlined a system of control operated by three countries, Britain, Argentina and Uruguay. There is genuine concern over conservation and these countries are the three with "local" interests. It was the difficulty over winning multilateral consensus, which led to Britain establishing a unilateral zone around the Falklands in the first place.

This decision would now seem to have been a good one. Since January, Britain and Argentina have exchanged a series of exploratory notes, through the medium of the United States, with a view to preventing any incidents over fishing. The contacts have been sporadic and indirect and their objectives have been limited. But they have still represented an advance in Anglo-Argentine relations — fractured by the Falklands conflict five years ago.

Fishing has therefore been acting for some months as a means of bringing both sides together — however tentatively. In this sense, it would seem logical to advance towards discussions of the kind envisaged by Mr Blake. On the other hand, it represents the kind of advance which so far the Argentines have flatly rejected — in the absence of any accompanying talks on sovereignty.

The new element this time is Mr Blake's proposal that the islanders themselves should be represented. This is in line with his general belief that the time has come for them to have a consultative, advisory role in conducting their foreign affairs.

This is still uncertain ground. Mr Blake was speaking without a mandate from the Falklanders — and has long been in advance of local feeling on these matters. It is doubtful too if the Argentines would look favourably on any move which might elevate the status of the Falklanders. They would see it as an unnecessary complication. Mr Blake, not to mention the Foreign Office, has been anxious to stress that he was not thinking in terms of independence.

What was most significant about Mr Blake's proposals was the background against which they were made. Economic prospects for the islands are suddenly looking up as a consequence of the burgeoning fishing industry. Money from fishing licences and the provision of support facilities for visiting fleets have already tripled their revenue — and could revolutionize local lifestyles if all their dreams are realized. In this context it is hardly surprising that a new air of confidence is discernible.

But this in itself carries a lesson for the Buenos Aires Government. A prospering community on the Falklands could bring commercial benefits to Argentina. At the same time the Falklanders would be less willing than ever to sacrifice their Anglo-Saxon heritage.

There is the prospect of a new age in which the Falklands and Argentina might be joined in a common interest, more important than the narrow issue of sovereignty which divides them. There is a new reality which Mr Blake has touched upon — and Buenos Aires would be sensible to adjust to it.

## Anger in Falklands over call for Argentina talks

By Steve Smith

Foreign Office officials were last night studying a speech by a Falkland Islands councillor at the United Nations in which he called for talks with Argentina and increased autonomy for the 1,800 islanders.

British diplomats conceded privately that the development of the Falklands could include "some degree of autonomy" but said this did not alter the

was inconsistent with Government policy towards the islands, which was "committed" to the wishes of the inhabitants.

News of Mr Blake's speech, to the UN Committee of 24 on Colonialism, brought a largely hostile response in Port Stanley, the Falkland's capital, which was occupied by Argentinian troops during the invasion of 1982. Mr Charles Keenlyside, one of Mr Blake's fellow councillors, described it as "dangerous talk."

### Leader comment, page 14

Government's position on the islands' future.

The speech in New York last week by Mr Tony Blake, a member of the islands' executive and legislative councils, urged talks on fisheries to involve Argentina, Chile and Uruguay. Foreign Office sources accepted that a satisfactory arrangement on fishing would be "extremely relevant" to the Falklands' future.

A spokesman denied, however, that Mr Blake's call for "increased autonomy within the British sphere of influence"

The speech followed a bumper season in the waters within 150 miles of the Falklands which have been policed by Britain since last February. The island's economy could benefit by up to £15,000 for every inhabitant from the sale of licences for fishing in the zone. Now some of the Falklanders are keen to extend licensing to a stretch of the South Atlantic north of the islands which is not patrolled by either Britain or Argentina at present.

The boom from the fishing harvest, which has boosted em-

Turn to back page col. 4.

## A new factor in the Falklands

The motor driving British policy towards the Falklands may be approaching another change of gear, forced on it, as before, by events in the islands themselves. Until 1982 benign neglect was the complimentary term to describe the policy. The anomalous islands, close to Argentina and half a world from Britain, were a cause of polite and not particularly urgent discussion between London and Buenos Aires. Mr Nicholas Ridley, then at the Foreign Office, toyed with other constitutional arrangements, involving terms like transition and gradualness and, yes, sovereignty. He could not get a decent hearing in the Commons. The unlamented Galtieri seized what he thought was his chance and an enterprise of logistical brilliance and much personal bravery was mounted to restore the islands and their 1,800 inhabitants to where they had been before.

Since then Britain has flung money at the physical defence of the islands and decreed a wide fishing zone where foreign fleets pay to operate. Britain and Argentina are still formally foes, a standing rebuttal, on the face of it, of Mrs Thatcher's assurance to Mr Gorbachev that democratic countries no longer go to war. Agreed, Argentina was far from being a democratic country when the war started. But it has undergone the most exciting upheaval in its history and President Alfonsín can hold up his head in any democratic assembly.

The United Nations does not like colonialism, even though not all its members draw the necessary distinctions between one form and another. When countries wish to be colonised it is not always easy to deny them the right. But the mood among Falklanders is changing, and when the UN colonialism committee met last week it learned that they are taking a fresh look at their relations with Argentina. They have, their spokesman Mr Tony Blake said, a "growing international identity" bespeaking "increased autonomy within the British sphere of influence." Suddenly the islanders' economy is not the beggarly thing of several years ago, and the fisheries require "proper and peaceful arrangements for the environmental and commercial control of this valuable resource." Those arrangements would require talks with Argentina, Uruguay, and Chile. Not yet "increased independence," a phrase at which the Foreign Office took some fright and, it is reported, requested him to dilute. Indeed a free-standing nation of 1,800 people would make even some of the South Sea island-states look rich in demographic resources.

Mr Blake, though, seemed to be charting a route which the islanders want to follow, and it is hard to chart a route without some idea of the eventual destination. That was what successive governments of both parties found, on missions to Stanley, in the years leading up to 1982. Mrs Thatcher has had no clear idea what that destination might be, and in the post-war freeze refused to contemplate anything beyond a reversion to an infinite status quo. But the status quo was never a situation in which the islanders remained for ever a disregarded British appendage. It included talks with the Falklands' neighbours. If those were valid then, when Argentina was a dictatorship, are they not much more valid with today's democratically elected regime? Would they not help to ensure that Argentina does not undergo another relapse? If the Government truly has the islanders' interests at heart it will take some courage from the fact that they can envisage a flourishing trading interchange with their neighbours, which requires an amicable political relationship as well.

## Argentina speech angers Falklands

continued from page one

ployment in Port Stanley, is thought to be behind Mr Blake's confident assertion at the UN of the Falklands' "growing international identity." He is reported to have excised a reference to the islands' increased independence after advice from British diplomats.

Sources in Port Stanley were taking a more cautious view of the Falklands' future yesterday, and criticised Mr Blake for his comments. Mr John Cheek, a councillor on the islands, warned that Mrs Thatcher did not guarantee to defend the inhabitants if they decided on independence from Britain.

Councillor Terry Betts said he was astounded and annoyed by Mr Blake's remarks. "There may be a move towards economic independence, from Britain, but not political independence," he said.

Mr Keenlyside claimed that Mr Blake had no remit from the islands' councillors to mention talking to Argentina. "I don't

think it was sensible to talk like that at this stage. The Falklands have got nothing to talk to Argentina about as far as I'm concerned."

Mr Blake stressed last night that the position on sovereignty was unchanged. Speaking in London, where he is staying for a few days before returning to the South Atlantic, he said: "I am not proposing bilateral talks between Britain and Argentina to discuss the Falklands."

"My proposal is that there should be multilateral talks involving Britain, Argentina, Uruguay and possibly Chile on fishing. Falklands representatives would be included in the British delegation."

After reports of Mr Blake's speech, Mr Tam Dalyell, the Labour MP, wrote to the Foreign Secretary asking how far Britain was consulted about the Falklanders' attitudes, and how far any moves towards independence were under consideration.

# TELLEX

THE BROADCAST REPORTING SERVICE

# REPORT

TALKS BEGIN BETWEEN ARGENTINA AND THE FALKLANDS

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**RUSH**

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0712

SUE MACGREGOR:

The people of the Falkland Islands may well have changed their minds about talking to Argentina, and it seems that the new high revenues from fishing, thanks to the islands exclusion zone which we were hearing about on this programme not long ago, are partly responsible. Revenues from fishing licences could reach £30 million, this year and at a meeting at the United Nations on Friday, Mr Tony Blake of the Falklands Legislative Council, is reported to have spoken of a concerted drive for increased autonomy within the British sphere of influence. Well on the line now from our studios in Ayr, is George Foulkes, Labour's Foreign Affairs spokesman, who is going himself to the Argentine next month. Mr Foulkes, first of all, of course, Britain broke off diplomatic relations with the Argentine in 1982. Do you think this is the beginning of the islanders wanting some sort of direct dialogue with the Argentine?

GEORGE FOULKES, MP:

Well I hope so. It's just a small chink in the armour so far and it's very limited. It's a multi-lateral discussion they're talking about with Uruguay and other countries being involved and it's limited; it's only on a particular topic, fishing, but a few months ago, they wouldn't contemplate ever talking to the Argentines about anything. So from that point of view, it's a start. Now what the Argentine response is going to be, I'm not so sure because they've always said they want bilateral talks and sovereignty must be included on the agenda at some point, not immediately, but it must be contemplated that it could be included. So....

S,M:

(Interrupting) And this is something the British Government has refused to contemplate?

G.F:

It has... up till now it has, but of course the British

Government has always said it depends on the views of the Argentine islands.... of the Falkland islanders, and if the Falkland islanders views are changing for whatever reason and concede it's not the reasons that I would necessarily think are the best reasons, it's the runaway success of the fishing, it's the prospect of huge wealth and the need to co-operate with Argentines; it's Argentina is the nearest neighbour that's making them realise the need to co-operate. But for whatever reason, if they are changing the view that's something that the British Government has to take account of but my understanding is that the British Government may actually be trying to dampen down the comments that Tony Blake made at the United Nations and that other people are saying there does seem to be a growing independence movement within the Falkland Islands.

S.M:

But Mr Blake may well just be talking about, as he says, about fishing and not about any other kind of autonomy for the islands, I mean, the Foreign Office may well want people to believe that this is so?

G.F:

But I know, I read on Monday... last Monday, a week ago, that there's a growing independence movement on the island, Robin Pitaluga and Blake Hardcastle, two leading islanders have set up the first political party on the islands. So there does certainly...which is in favour of independence, so there does seem to be a growing movement in that direction. I mean that has very, very serious implications for the British Government policy and, as you know, the Falkland Islands are colony ... is a colony, and to contemplate a change in the status of any kind like that really is quite dramatic.

S.M:

What will you be saying to the Argentinians that you meet next month?

G.F.:

I'd be interested to hear their response to what the Falkland islanders are saying, whether or not they are willing to participate in this kind of discussion, to give some encouragement to the islanders and to show the islanders the goodwill of Argentina, because I do believe that there is a great deal of goodwill in the Argentine Congress and in the Argentine Government.

S.M.:

And, briefly, Mr Foulkes, if that is so, would you expect the British Government to respond in kind?

G.F.:

Well I would hope so and I think the Foreign Office would want to. However, there is the stumbling stock of Mrs Thatcher and her psychological block in relation to the Falklands, but even that now, given that it's so long since the dispute, since we've had yet another election since the war, I would have thought that even Mrs Thatcher given that the islanders are changing their views, should exercise some degree of flexibility as well.

S.M.:

George Foulkes, thank you.

G.F.:

Thank you.

★★

★★

# TELLEX

THE BROADCAST REPORTING SERVICE

# REPORT

FALKLANDS FISHING LIMIT

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**RUSH**

For : BROAD STREET ASSOCIATES KATE WALLIS

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Date: 17.8.87 Time: 1300 Duration: 2mins50secs

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GORDON CLOUGH:

There's been an angry reaction in the Falklands to a speech made by a member of the Islands' Executive and Legislative Council at the United Nations last week. Mr. Tony Blake told the UN Committee on Colonialism that he favoured talks with Argentina on extending the current 150 mile fisheries protection limit by another 50 miles. Mr. Blake also suggested what he called increased autonomy for the Falkland Islands. His remarks have prompted considerable criticism in Port Stanley, with one Councillor describing them as dangerous talk. Another said the Falklands have absolutely nothing to discuss with Argentina.

Bill Frost asked Tony Blake to explain his call for talks with Buenos Aires and increased autonomy for the islanders.

TONY BLAKE:

I'm suggesting that we ought to be left alone to get on with our development in our own way without outside pressure. Now that is pointed at more than one person, or one country. In other words, if Argentina wants to pressure us into change, we're certainly not going to head in that direction. But it also can be looked at in the light that if people in this country, and I'm not talking about the present Government because we're in full agreement with the policy that they're using, but there are people in this country who would like us to do otherwise.

And so it is also a warning to them that if they push us too hard and too fast into doing what they want us to do, we have our own direction to go in. So it's a warning to both Argentina, if you like, and to those people within this country who would like us to do other than the way we proceed, and other than the way we are at the moment.

BILL FROST:

And you're willing to deal with Argentina who just 5 years ago was the occupying power in Port Stanley?

T.B.:

We do not wish the present situation to be disturbed. I think I made that quite clear in the speech. It's working very well, there's been no conflict within the zone that we are, but you must realise that from the environmental point of view we're only actually protecting, by using the 150 mile limit, we are only protecting half the resource.

And to fully protect that resource, because it can be ruined from outside the zone, which will affect us a great deal economically, to...if we could move our limit up to the 200 mile limit which we've always wanted, we in actual fact encompass the entire resource, which is in the interest of all countries that are fishing in that area, and all the countries that have their boundaries on that particular resource. Now that resource does stretch from Uruguay right down to well South of the Falkland Islands. So I don't think there's anything unreasonable from the conservation angle of all those countries getting together and saying how are we going to handle this situation.

B.F.:

How widely held are your views in the Falkland Islands?

T.B.:

We've always asked for a 200 mile limit, Council, ever since before the War in actual fact, we wanted a 200 mile limit. And the Government called it an interim zone for one reason and they were pushing for a multilateral agreement, and we also have called it an interim agreement because we really would like to push it out 200 miles. So I'm not going against the grain generally there, it's just a matter of interpretation.

B.F.:

The Argentinian delegation at the UN approached you after you'd made the speech, didn't they, so they clearly got the message from it that you were talking about some kind of deal.



T.B.:

No they always have, and they come along sometimes on a personal basis, sometimes with something in mind, and invariably they always get round to the same old subject. And of course if you talk to these people they always bring up the subject of sovereignty, I always listen politely and tell them that I understand their point of view, but they must also understand our point of view, and that's it. There's never ever any giving of ground on either side in that respect.

G.C.:

Tony Blake who's a member of the Falkland Islands Executive and Legislative Council.

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## Falklands propose fishing ground talks with Argentina and Uruguay

By Andrew McEwen, Diplomatic Correspondent

A Falkland Islands representative at the United Nations has proposed that Britain, Argentina and Uruguay should co-operate in managing the rich South Atlantic fishing waters.

Mr Tony Blake, a Falklands' councillor, said yesterday that it was the first time such a suggestion had come from the islands. He raised it in a speech to the United Nations Decolonization Committee on Friday and was later approached by an Argentinian official to clarify it. Mr Blake emphasized that the proposed talks would cover fishing, not sovereignty.

Even so, the proposal marks an important departure. Until now the 1,900 islanders have been worried that any links between Britain and Argentina could lead to a loss of sovereignty.

Even indirect contacts between Whitehall and Argentina via the US State Department, which have been underway since January, have been viewed suspiciously in

Stanley. They deal strictly with fishing, and their scope is narrower than Mr Blake's proposal.

The Foreign Office wants to obtain agreement on avoiding military clashes in disputed fishing waters, but Mr Blake

**Buenos Aires — President Alfonsín of Argentina said at the weekend that he was not sponsoring constitutional reform to extend his presidency, and did not want re-election (Reuter reports). Rather, he said, he sought the constitutional change to provide stability to the country's institutions after 50 years of unrest.**

aims to bring about co-operation. The Falklands, Argentina and Uruguay all have waters which include parts of the best squid fishing areas, but an uncontrolled sector north of the Falklands' 150-mile zone is even richer.

Mr Blake said international fishing fleets were concentrating on this area to avoid paying licence fees. At the

same time they were attempting to exploit the rivalry between Britain and Argentina by telling each side that its licence fees were too high. The talks would aim to bring the uncontrolled area under multilateral management.

Mr Blake, who has represented the Islands seven times before UN committees, did not have a formal mandate from the Islands' legislature for his proposal, but said meetings with other council members had shown there was a consensus.

Flushed with success after tripling their government budget in one year through fishing income, the islanders now feel increasingly confident over taking a role in their own foreign policy. Mr Blake said if the talks went ahead, the islanders would want to be represented on the British delegation.

In his UN speech he raised the possibility of "a concerted drive for increased autonomy within the British sphere of influence".

## UK likely to take look at position of Falklanders

THE UK Government is expected to take a fresh look at the political position of the Falkland Islanders after suggestions that they may have modified their attitude to Argentina, which tried to seize control in 1982, writes our Foreign Staff.

British diplomats will be looking at a speech made by Mr Tony Blake, on behalf of the Falklands legislative council, at the UN.

Mr Blake spoke of the "growing international identity" of the Falklands and referred to a "a concerted drive for increased autonomy within the British sphere of influence." He also called for talks on fisheries, which could mean contacts with Argentina, Uruguay and possibly Chile.

The prospect of more money from fishing licences has fuelled speculation about a change in the islanders' attitude. The islanders are keen that a stretch of ocean north of the island, not being patrolled by Britain or Argentina, be made to pay.

Any moves enabling the Falkland Islanders to talk to Argentina would have implications for British policy in Latin America.

Britain broke off diplomatic relations with Argentina after the invasion, and Argentina has not yet formally ended its hostilities with Britain. UK suggestions for improving contacts with Argentina have foundered so far on UK insistence that talks about the Falklands should not include sovereignty.

# Falklanders do a U-turn on talks with Argentina

by HUGH O'SHAUGHNESSY

FALKLAND Islanders, reversing their previous intransigence towards Argentina, have proposed talks on common problems with the Government of President Alfonsín.

Their new attitude, announced quietly at the United Nations last Friday, marks a radical shift by the islanders, who previously had been bitterly opposed to the idea.

Bolstered by unexpectedly high revenues from fishing licences, the 1,800 islanders are now openly saying that they want increased independence from Britain, including the right to talk with their neighbours.

The new attitude was spelled out at the meeting of the UN Committee of 24 on Colonialism in New York by Mr Tony Blake, speaking for the islands' legislative council. Born in Lincolnshire and raised in New Zealand, Mr Blake is one of six elected legislators who sit in Port Stanley.

In this year's annual presentation to the UN, Mr Blake insisted on the 'growing international identity' of the islands and spoke of 'a concerted drive for increased

autonomy within the British sphere of influence.' After advice from British officials, he modified the first draft of his speech which had contained reference to 'increased independence.'

He called for initial talks on fisheries and suggested 'arranging proper and peaceful arrangements for the environmental and commercial control of this valuable resource.' Talks would involve the Falklands, Argentina, Uruguay and possibly Chile.

The promise of much more money from fishing licences is the immediate reason for the

switch. They are keen that a stretch of ocean north of the islands, currently not being patrolled by either Britain or Argentina, should be made to pay.

The fishing zone decreed by Britain since February, in which fishing vessels are charged for the right to operate, yield an unsuspected bonanza. The squid caught there are particularly valuable.

It is expected that the islands' budget, which for many years before the 1982 war never went much above £1 million a year, could this year reach £30 million as the result of the fishing fees.

The Falklands boom has brought a host of new jobs for the tiny population.

If fishing fees continue to roll in, the prospect is that there will be Government revenue of around £15,000 for every islander. For the moment the Falkland Islands Government is spending the new income on roads and other infrastructure and the standard of living has not noticeably improved. Mr Blake foresees a change. 'Soon people in the islands will be wondering why they haven't all got Rolls-Royces.'



Blake: Autonomy hint.

Lloyds List  
15 August 1987

## Lessons learned in the Falklands war

**The Royal Navy and the Falklands War by David Brown, head of the Naval Historical Branch. 384 pp. (Leo Cooper, 190 Shaftesbury Avenue, London WC2H 8JL, £16.95)**

WITHHELD by the Ministry of Defence for over a year, the present study is a major one, dealing with a still sensitive subject and telling the story from the official and Royal Navy point of view.

Its main value lies in its account of the work of the Royal Navy and the operational lessons learned in a fight which attracted main media interest to the Army and Royal Marines.

It therefore has corrective value in its presentation of a wider and more detailed account than was possible at the time.

It ought to have occurred to the media (but rarely did) that it was the Navy which defended landing ships, ferried ammunition, food and all other supplies to the combatant troops as well as evacuating wounded.

A populace more than 40 years distant from the bloody losses of the Second World War was taken aback when the enemy also had successes by sinking British ships, so the media mirror reflected this uninformed and unrealistic hysteria by exaggerated and thus unbalanced reportage.

While the whole Falklands war, if it had occurred during the Second World War, would have been just one more of innumerable campaigns and actions, it was nonetheless and by reason of its sudden mounting in peacetime, an incredibly able piece of organisation, planning and logistics, while

for actual combatants, a bullet fired in a short war is just as lethal as those of a six-year war.

David Brown tells the story of the entire mounting of the campaign across 7,000 miles of ocean in a six-part text followed by appendices recording some of the details including those of ships taken up from trade (STUFT).

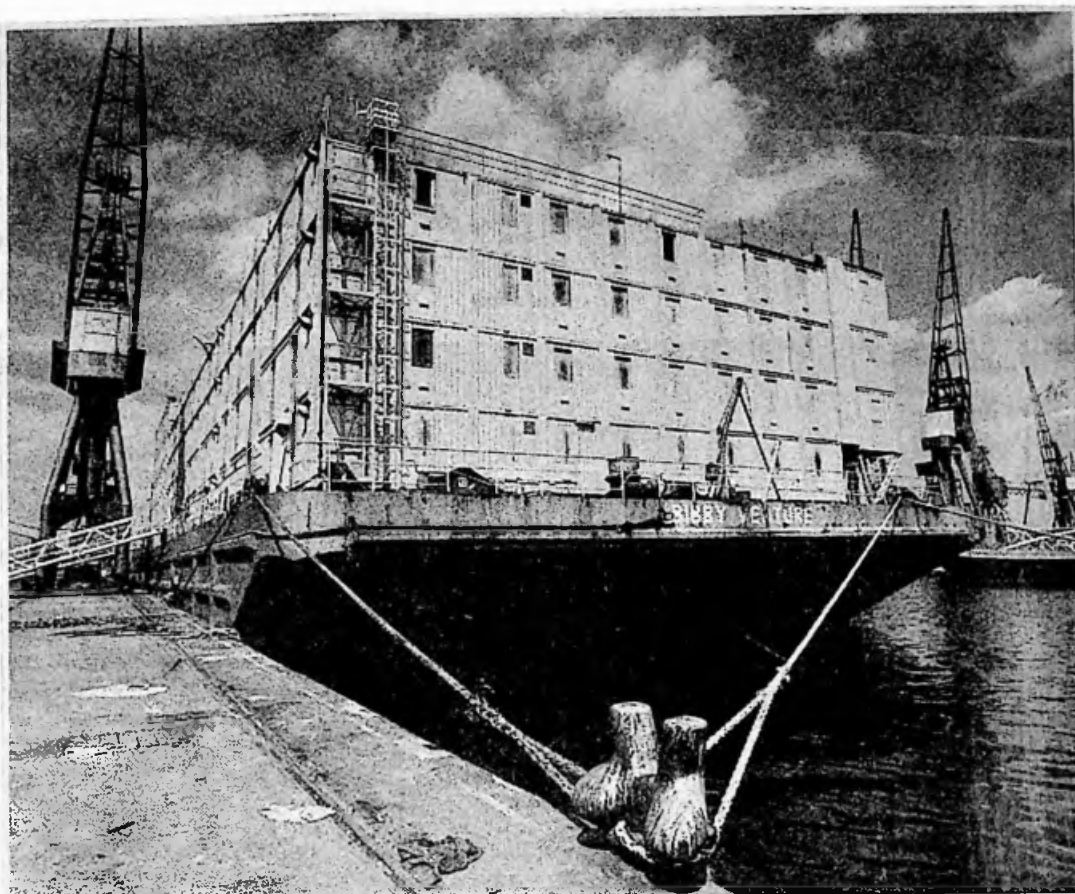
The book, as the introduction records, is nonetheless a tribute to all who took part and especially the fighting men.

One group, however, are carefully unreported. "For reasons which they well know, the doings of the submariners must remain discretely unreported for the time being..." but "all who served in the South Atlantic are in the debt of the men of the six submarines which provided the advance guard and then the first line of defence against the Argentine Navy."

The book also publishes for the first time photographs from Argentine sources among the 100-plus illustrations in both black and white and colour. Naval historians may like to note that a prologue recounts the story of the November, 1914, battle of the Falklands and that of December, 1914.

Note that German Navy losses in this second battle, 1,900 men, were nearly double those of both sides in the 12-week war of 1982.

This study will join other official war histories as a major reference source.



Sea cells: The Bibby Venture, bound for New York, moored at London's Tilbury Docks yesterday.

## Troop barge to be US prison

FOLLOWING in the wake of the Queen Mary and London Bridge, an 11,000-ton troop barge used by the British Army in the Falklands is going to the United States, to be used as a floating detention centre for remand prisoners.

But the vessel, the Bibby Venture, will be a far cry from the rotting prison hulks of Victorian times. Moored alongside Rikers Island in New York Harbour, it will be self-contained, with its own generator, sewage and waste disposal and fresh water supply.

The Bibby Venture took no part in the Falklands war. It was

By Stephen Ward

one of two vessels used to house the British garrison while permanent barracks were being built.

The New York Department of Correction has leased it for five years from the owners, Bibby Line, based in Liverpool, with an option to buy.

Conditions will be better for the prisoners than they were for the troops. They will get one of its 396 rooms each. On the Falklands, up to 900 men at a time were squeezed in, with up to four

sharing a 120 sq ft room. Simon Sherrard, managing director, said: "New York has tight regulations about the amount of space each prisoner must have. But remember the troops were free, and only had to use the rooms for sleeping. They weren't locked up all day."

Before the ship is taken across the Atlantic on a semi-submersible ship in October, a few important changes will be made.

"We have been asked to put bars on the windows, and to put locks on the doors," Mr Sherrard said.



## Argentina and UK in fish talks

By Andrew McEwen  
Diplomatic Correspondent

Efforts to reach an understanding with Argentina on avoiding incidents in disputed South Atlantic fishing waters have taken a step forward.

The second round of indirect contacts between London and Buenos Aires was completed this week when the US State Department delivered a message from Britain to Argentine representatives.

Although the content of the four messages exchanged so far has been kept secret, their scope is understood to be modest. Even a minimal understanding would be the first step since the 1982 war towards establishing a working relationship.

The contacts began in January and have moved slowly. There is some surprise that they have got this far. But both British and Argentine officials have a wish to prevent clashes along the border between Britain's 150-mile fishing zone around the Falklands and Argentine waters.

Sixteen Spanish trawlers have been licensed by the Falkland Islands to fish for the most valuable catch, squid, sold as *calamares* in Spanish restaurants. The squid are frequently found in border waters, where they pose a risk of incidents.

FISHING NEWS  
14 August 1987

# Marr invests in research vessel

J. MARR (Shipping) Ltd. has just bought a West German research ship — the 83m, 1,940 grt *Anton Dohrn*. She will shortly leave her home port of Bremerhaven for UK classification and registration, and will become the largest vessel in the fleet of scientific and exploratory ships.

Marr's other specialised fishery research ship, *G.A. Reay*, bought from the British fisheries ministry, is currently on charter to the Falkland Islands government but the company does not regard the German ship as a direct replacement.

Marr Shipping director Jim Hind said: "Although bigger than our established class of vessel we see a wide range of possibilities from *Anton*

*Dohrn*. She has been exceptionally well maintained, is superbly equipped and will readily adapt to a variety of scientific and exploratory roles as well as fishery research."

Built by AG "Weser" Seebeckwerft at Bremerhaven and registered in Hamburg, *Anton Dohrn* has operated in the South Atlantic and Antarctic waters, both areas of current interest for Marr, as well as northern and Arctic waters.

The ship is fitted for most types of fishing and has a freezing at sea plant and refrigerated storage as well as a fresh fish hold.

With a comprehensive range of electronic navigation, fishfinding, sounding and other instrumentation

and lavishly equipped workshops, laboratories and hospital she can be self-supporting in a number of roles.

Diesel electric propulsion makes the ship suitable for several types of marine scientific and survey work and even mine counter measures operations.

"We had a number of options lined up before we bought," said Mr. Hind, "and we have had several new enquiries once the maritime grapevine got to know we were the buyers."

● The Marr Group has confirmed that it is "quite likely" that it will order a new vessel to fish the Falk-

lands in the future. (*Fishing News*, July 24).

If the order goes ahead, however, the vessel will be purchased by Marr (Falklands) Ltd. which is jointly owned by the two family companies, J. Marr Ltd. and Andrew Marr International Ltd.

The two family companies were formed about two years ago when an "extremely amicable" de-merger took place from the existing J. Marr and Son family concern, following major diversification in the company's activities from its traditional role as trawler owners.

## Falklands veteran given support role

By Michael Evans, Defence Correspondent

The Royal Fleet Auxiliary ship *Diligence*, which arrived in the Falklands only three days ago for operational duty, received a signal on Wednesday ordering it to the Gulf to help in the British minesweeping operation, according to Ministry of Defence sources yesterday.

The 140 crew of the 5,814-ton support ship, which repaired the bomb-damaged destroyer *HMS Glasgow* in the South Atlantic during the Falklands conflict in 1982, were told that *Diligence* had been chosen to be the permanent support ship during the operation.

*Diligence's* sister ship, the merchant vessel, *Stena Sea Spray*, which had just left the Falklands to return home for leave, was ordered back to Port Stanley for an extended tour of duty.

Navy sources in the Falklands said yesterday that the signal from the Ministry of Defence had come as a complete surprise.

Yesterday senior Royal Navy staff completed the final parts of the minesweeping "package" which, for the first few weeks, will now involve a total of seven ships. Previously it had been announced that only five ships would be going to the Gulf. They will be joining the three warships and support ship of the Armilla Patrol which is already in the Gulf.

Naval sources said yes-

terday that the four minesweepers, *HMS Brocklesby*, *Bicester*, *Hurworth* and *Breccon* would now be accompanied by two support ships on the way to the Gulf, *HMS Abdiel*, a warship built to support mine counter measure forces, and *RFA Regent*. *Diligence* will be the first to reach the Gulf, according to the naval sources. *Abdiel* and *Regent* will return home once the three support ships have met in the Gulf.

*Diligence* has a crew of 40 Royal Fleet Auxiliary members and about 100 Royal Navy personnel. She is fitted with huge engineering workshops and naval sources admitted yesterday that she had been selected because of the potential need to repair

British warships at sea if they came under attack. Iran has said that British ships could now be attacked following the Government's decision to send minesweepers.

The Royal Navy insisted yesterday that the intention was still to retain as low a profile as possible and said there were no plans to send more warships to protect the minesweepers.

Commander Timothy Hildesley, aged 41, who will command the British minesweeping force, admits that he joined the Royal Navy to be an "action man" and is excited by the job.

He has specialized in mine counter measure work since the late 1960s and had his first

operational experience in Suez in 1974.

Commander Hildesley, who was awarded an MBE for his work, was the Royal Navy's liaison officer for Operation Harling, the codename for the mine clearance work in the Red Sea.

He has served as commanding officer of two minehunters, *HMS Brinton* and *Bronington* and on a Hunt Class minesweeper, *HMS Dulverton*, similar to the vessels now going to the Gulf. He is commander of Fourth Squadron Mine Counter Measures.

Yesterday senior naval sources said that at present the plan was for the ships to be self-supporting without depending on a permanent port facility at one of the Gulf states, although *Diligence*, which does not have the status of warship, would be able "to put into any port". Diplomatic moves are underway to find a Gulf state willing to provide port and air base facilities.

As *The Times* disclosed yesterday, two Nimrod maritime patrol aircraft are due to fly out to the Gulf within the next week, but the Ministry of Defence was adamant that they would be playing no part in the minesweeping operation. The two aircraft from 201 Squadron in Rosyth would be taking part in training exercises, which had been planned a long time ago. They are expected to be based at the Omani air base of Seeb.



Commander Hildesley, in charge of mine clearance.

# **FALKLANDS SHIP SAILS TO JOIN BRITAIN'S GULF FLEET**

by ELLIS PLAICE  
Defence Correspondent

BRITAIN yesterday added a seventh key ship to the minehunter task force which sets off for the Arabian Gulf on Monday.

The 10,779-ton Royal Fleet auxilliary Diligence, has been ordered to abandon its duties in the Falklands and sail to the trouble spot which has suddenly become more important.

The Diligence, the Navy's only forward repair ship, car-

## **Mine hunt task force grows to 7**

ries workshops able to tackle the gravest mechanical breakdown or battle damage.

Her sailing orders reveal that defence chiefs are expecting a long-term stay in the Gulf — 20 years after Britain decided there was no room for gunboat diplomacy east of Suez.

It is a move that confirms the fears of Government critics and some senior officers that following America into the region would take a rising toll on resources.

The official line is that Diligence is being sent as a temporary support measure for the four minehunters.

But the Armilla patrol of three warships, which the minehunters will join, has carried out a low-profile role for the past seven years without the need for heavy support.

Beefing up protection for the Armilla patrol is proving a major operation. The minehunters will set off with the support ship Abdil on a five-week voyage.

The 22,890-ton replenishment ship Regent, now being loaded with stores, including spare mine-sweeping equipment, will arrive at the same time.

As disclosed in TODAY yesterday, one major task of the minehunting force will be to help trace the initial source of the mines now reaching the armoury of fanatical Iranian Revolutionary Guards.

### Mystery

A Whitehall military expert said: "It would be sensible to examine mines we find and not just blow them up. We have not yet discovered their source."

Mystery surrounds the exact mission of two RAF Nimrod surveillance aircraft which will be based in the Gulf.

The Defence Ministry say they will be there for "a short period for normal exercises". But pilots would be unlikely to reject a call for help from Navy captains who need early warning of Iranian suicide squads.

Because of the hasty recall of the Diligence from the Falklands, the Stenna Seaspeed, the ship it had just replaced there, has been forced to return, just four days after heading home at the end of a six-month stint in the South Atlantic.

Thursday 13 August 1987

### **Prison barge**

New York (AP) — The New York city government is to lease Bibby Venture, a British barge used as a barracks in the Falklands War, to house 396 prisoners in an attempt to ease the city's crowded jails. The five-year lease will cost more than £11 million.



### Help from a hero

FALKLANDS hero Simon Weston is to help launch an ambitious adventure scheme which hopes to give inner-city school-leavers the chance to work abroad.

Simon, from Nelson, Mid-Glamorgan—who was seriously burned on the Sir Galahad—hopes fund-raising efforts will kick off with a cycle ride from Mexico City to Toronto.

Behind the scenes: Lynton McLain goes to sea to watch the Royal Navy on manoeuvres

## If it's Thursday it must be World War III

THE ROYAL Navy went to war four times last month. It went to war four times the previous month too, and would have been to war again this month if it were not holiday time. After the holiday, war will be resumed.

The latest war was the fourth Third World War in as many weeks but local people and most of the birds off Portland Bill, Dorset, appeared not to notice. Only the yachtsmen knew. They found themselves sailing through a battle formation and a minefield. Perhaps it was as well they had no idea an enemy submarine was lurking beneath their keels.

One seabird was not so lucky. The war, which started with seasickness pills for some of the participants, ended with a private fighter aircraft, rented by the Navy to mimic a Soviet missile, swallowing a bird and nearly ditching off the Dorset coast.

The Royal Navy's latest war started on a Thursday, as usual, hence the Thursday War chalked up in the red light of the operations room, the nerve centre of the battle, on HMS Gloucester, a Type 42 guided missile destroyer.

War starts at the same time, 7.30 am, and at the same place, HM Naval Base, Portland, every Thursday. Portland is the base for basic operational sea training of RN ships and crews. Training builds up through a series of tests. Crews are subjected to single threats, such as air or submarine attack.

The war is the culmination of this training, when crews have to face multiple threats. Every Royal Navy vessel has to prove itself in this way to the Flag Officer Sea Training, Rear Admiral John Coward, before it is accepted into operational service with the fleet.

Captain Terry Loughran, 44-year-old commanding officer of HMS Gloucester, was on the bridge at action stations. He and his ship had recently returned from a six-month tour on the Royal Navy's Armilla patrol in the Gulf. HMS Gloucester left the Gulf two days before the USS Stark was hit by an Iraqi Exocet missile.

Back in England for the Thursday War, the captain and crew wore hooded, white anti-flash protective clothing. He said he was amazed at the US navy crews in the Gulf, who insisted on short-sleeve shirts while wearing anti-flash clothing around their heads.

He and his crew donned fearsome-looking gas, chemical and biological protection masks the instant the loudspeakers announced that a simulated chemical air attack was imminent.

Previously, the captain had told the crew of the "worsening political developments" that had led to the outbreak of the war.

For the Thursday War, Gloucester and several other RN ships, including the frigates Ariadne and Boxer, the USS Glover and the Royal Fleet Auxiliary Tidespring tanker were the friendly "blue" forces, while, the Belgian navy frigate Wandelaar and a Norwegian submarine, the Kya, represented the enemy "orange" threat.

HMS Gloucester, "somewhere in the Atlantic," according to Captain Loughran, was actually steaming out of Portland harbour, through a minefield. This had been put on the ship's chart by the shore-based naval officers who plan the war. To make life interesting, sandbanks were added to the chart where they did not exist.

"At 8.30 am, we will be under air attack," the captain warned as the ship steered a curving course through the minefield. "By 9.30 am we will be under a major missile attack, there will be a damage control exercise at 10 am and more air raids at 11.30 am followed by an operational replenishment from an oil tanker, at sea."

The main armament of the Gloucester is the Sea Dart anti-aircraft missile. These had been trained on the target aircraft even as they sat on the runway at Yeovilton but they would not be locked on to the targets until they posed a threat.

Suddenly the air raid warning on the ship went to red. The underwater warning went to red. Aircraft and submarines were attacking Gloucester simultaneously and there was still the minefield to negotiate.

At 8.30 am two Hawker Hunter fighter aircraft attacked the ship. They were seen 50 ft above the sea, travelling straight for the centre of the ship. They were "destroyed" several times, by the Sea Dart missiles at long range and by close-in defensive guns. The multiple shootings ensure the maximum training value is gained from the exercise.

Instead of using its own aircraft, the Navy uses a private air force, the Fleet Requirement's Air Direction Unit, based at Yeovilton. The 40 aircraft in this fleet are owned and operated by FR Aviation, part of the Flight Refuelling group.

The Hunter fighters were also used to simulate Soviet missiles by flying in close formation at high level under the belly of a Canberra bomber

from Flight Refuelling's private air force. The Hunters peeled away, as if launched from the bomber.

The air was tense in the operations room as the air and missile attacks kept crew concentration at a high pitch.

The principal air warfare officer on Gloucester knew instantly one aircraft had launched its missile. "The missile radar is looking for us now," the captain said. The main 4.5-inch gun was brought to bear, not to shoot the missile down but to fire a shell containing chaff, material designed to deceive the enemy radar and provide a big decoy target.

The ship was clearly under a considerable threat. A toy whistle was blown. Someone screamed: "Another missile locked onto the ship."

The battle was in earnest and the operations room was not a comfortable place to be in.

More shells were fired. The room filled with boom after boom, burnt cordite hit the nostrils, the ship shook and the captain followed the progress of the gun on an innocuous little illuminated red dial.

A floating decoy was added to the scene of electronic deception. The offending Soviet missile was brought down, to obvious relief, but the tension was unrelenting. This felt real.

# Press Cuttings

from Broad Street Associates FINANCIAL TIMES ②

11 AUG 1987

A second missile was shot down. Nobody mentioned the aircraft. All seemed to be going well. The Sea Dart control screen glowed with data. The computer would know when it was best to fire. That did not stop the sweat flowing, nor the heart racing.

Lieutenant Commander David Harbun, the advanced warfare officer (air) and operations officer, said after the war that there was often little time to consult the captain. He loved his job: "I am quite convinced this is the most fascinating job in the world." It was a little like chess played with decoy pieces and with pieces that are decoys of the decoys. Deception and double deception was the name of the game. "You have to try and get the enemy to fire early," he said.

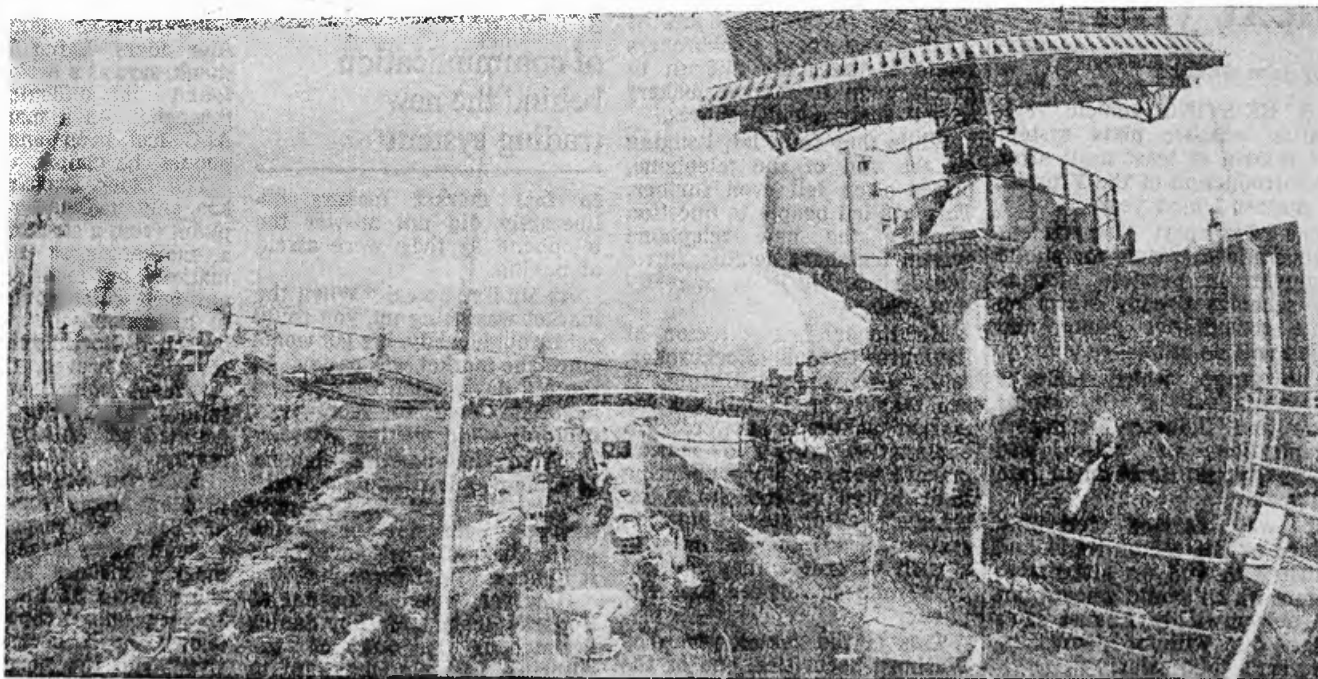
One naval rating, at a mysterious looking bank of screens where the electronic counter-measures war was being fought—jamming and counter-jamming and electronic counter-counter-measures and all the tricks of war in the late 1980s—cursed as his keyboard stuck. Other ratings with other keyboards appeared to handle the problem. The ECM screens were at the heart of the "soft-kill" capability of the ship. The Sea Dart was the "hard-kill" weapon.

The captain was in the middle of the operations room. To his left the air war was being fought on multiple screens. To his right the fight to sink the enemy submarine was coming to a climax amid a bewildering display of glowing, pale orange dots.

He admitted he had a dilemma. The destroyer had to be turned to give the Sea Dart missiles launchers their most favourable "weapon arc." By turning, however, Gloucester could present a more vulnerable target to the submarine.

Captain Loughran identified another contemporary problem. "In the Falklands and in the Gulf, we are fighting against western missiles and aircraft, but we are designed to fight against Soviet threats." He was not worried about the seemingly ubiquitous Exocet missile, which was "very easily defeated by soft-kill."

News came in that the Lynx helicopter from Gloucester had sunk the Belgian frigate Wandaljaar. So had the frigate Boxer. The submarine had been sunk several times, too, and it had sunk several of the ships. No one was admitting whether it had sunk the Gloucester. Pot roast and pasties were served in the wardroom and the Third World War was over.



Glyn Genin

Supply line: refuelling at sea from RFA Tidespring. Below, Captain Terry Loughran with HMS Gloucester.

11 AUG 1987



Soldier Magazine 10 August 1987

# CHOPPED! NO MORE FREE BUSES TO BRIZE

THE free coach which took Service passengers from Swindon station to Brize Norton and Lyneham stopped on July 1.

Movements staff have also been withdrawn, but for incoming passengers the coach service to Swindon station stays.

This means all outgoing passengers must now take a taxi to cover the 16-mile journey at a cost of up to £17 which can be claimed back if the journey is authorised.

The decision to reduce the service to one way was taken in March because of

manpower and financial cuts.

But how many families and Servicemen can find this money in cash when it's going to cost a packet travelling from the north, south or Scotland? Just crossing London is expensive.

Taxi from home to station £5. Taxi across London plus luggage £5. Taxi Swindon/Brize Norton £17. A grand total of £27 minimum just to get to the RAF airfield.

When the decision to withdraw the bus service was taken, why was a

contract taxi service not introduced to replace it? Why was an immediate reimbursement of taxi fares not instigated? Why was no advance publicity given to all in-house magazines and newspapers in the form of a press release? I found out about the

changes from a garrison Pt 1 orders, which are not particularly helpful to families.

The next large reshuffle will be when Hendon closes its doors to passengers en route to and from Luton and moves to Stanbridge.

### **Falklands move for 'party to seek independence'**

**By Our Port Stanley  
Correspondent**

Two senior members of the Falklands sheep-farming community, Mr Brook Hardcastle, farm manager of the Falkland Islands Co, and Mr Robin Pitluga, have announced plans to form a political party to seek "an acceptable form of independence under protection of the British flag."

But opposition is already mounting. Many people think any attempt to seek any form of independence would only invite Argentina to propagandise about "dissatisfied islanders" at the United Nations.

If established, the party would be the islands' only active political lobby. The legislature has eight elected independent members. The party's planners claim "the backing of some elected councillors."



## Falkland veterans 'need help for stress'

By Adela Gooch  
Defence Staff

INADEQUATE provision is made to care for Falklands veterans who suffer from combat stress after leaving the armed forces, according to psychologists researching mental illness caused by involvement in battle.

Army psychiatrists monitor the condition of Falklands veterans still in the Services and officers and NCOs are trained to spot illness related to fighting experience.

Once a Serviceman leaves the forces, however, his physical welfare is no longer the responsibility of their medical corps.

Mr Roderick Orner, head of the department of clinical psychology at St John's Hospital, Lincoln, says former soldiers and sailors who experience problems cannot always find the expert care they need.

### 'Acute stress reaction'

"Many turn to their GPs and get treatment which does not take into account their military experience. The help they should be offered is not particularly complicated, but it is critical that the cause of the problem be identified and treatment administered accordingly," he said.

In the Falklands there was a low incidence of "acute stress reaction," combat stress suffered during or immediately after conflict. This manifests itself in extreme shock, anxiety and survival guilt.

Of 777 British troops injured in the Falklands, there were only 62 reported cases of acute stress reaction. Army research into three battalions indicated that acute stress reaction accounted for three per cent of all casualties.

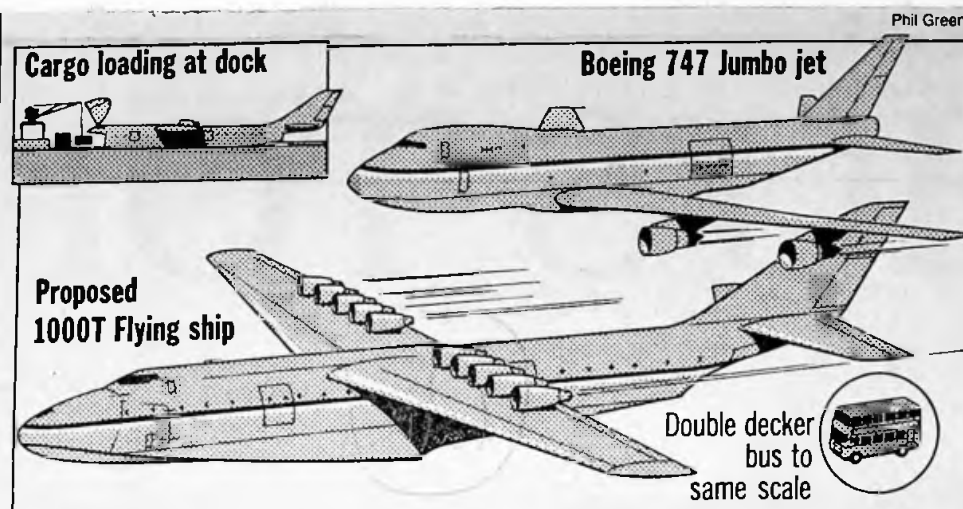
Psychiatric problems related to combat stress can, however, take years to become manifest. Both the Army and Navy are researching this phenomenon known as "post-traumatic stress syndrome" characterised by persistent reliving of the traumatic event through dreams or flashbacks, withdrawal from others, impaired memory and survival guilt.

### Levels as high

Preliminary research indicates that levels would be at least as high as for acute stress reaction.

"Part of the problem is getting sufferers to come forward," Mr Orner said. "The very nature of the syndrome means that former Servicemen experiencing problems are unlikely to seek help."

During the Falklands conflict psychiatric teams were on standby but never sent to the battlefield.



## Big lift for giant seaplane

EUROPEAN aviation engineers are planning to build the world's largest ever aircraft — a 1,000 ton seaplane capable of hauling 300 tons of cargo across the Atlantic and back without refuelling.

The new beast of burden would be almost twice the size of a Boeing 747, 105 metres long, with a wingspan of 108 metres and four times the payload of a 747.

The project is being mounted by engineers at Hydro 2000 International, a Paris-based group committed to getting air transport a much larger slice of the world cargo business. The designers say the seaplane would be more cost-effective and reliable than a conventional aircraft of similar tonnage.

"There is a certain equality between land aircraft and a seaplane of similarly large tonnage but the former has a problem with landing gear," says Alain Luzu, Hydro's European and Asian marketing director. "Although this does not impose insuperable technical difficulties, such equipment is uneconomic and difficult to maintain."

Last year planes carried only 1% of the 600m tons of cargo transported worldwide. The superplane project's planners argue that the grad-

ual shutdown of many of the world's shipyards, coupled with the inability of conventional aircraft to exceed a maximum take-off weight of 500 tons, makes the giant flying boat a realistic contender in the expanding world cargo market.

Powered by eight or ten "new generation" 30/35 ton thrust turbofan engines (such as the Rolls-Royce RB211), the plane will have a cruising speed of 500 miles per hour and fuel consumption on a par with an ordinary wide-bodied jet. It will be able to travel 20,000km unloaded and 14,000km carrying 300 tons — three times the capacity of a fully-loaded jumbo.

The project has obvious military applications. Says Philippe Sytchef, a former commercial airline pilot and now Hydro 2000's president: "Five of these seaplanes will be able to transport a full division of 10,000 troops and their equipment, including tanks, from the east coast of America to Germany and back — or from Britain to the Falklands — without refuelling."

He believes the seaplane could also be attractive to Third World nations without the resources to build

international airports but which have large expanses of water on their coastlines and lakes suitable for landing.

The plane could also be used in large-scale civilian emergencies and rescue operations where land-based points of access have been swept away, and there is a pressing need to evacuate large numbers of people quickly.

The cost of developing the project is put at \$2.5 billion. Sytchef says he hopes to form an international consortium of aviation companies similar to Airbus Industrie to help finance and build the plane.

"We have had encouraging responses from Dornier in Germany, Shin Meiwa in Japan and Boeing in the United States," he says.

"Once the company is formed next year we expect to be able to employ 2,000 people building the first aircraft. If everything goes according to plan the giant seaplane could be in commercial service by 1995."

Hydro 2000 is currently scouring the French coast for a deserted shipyard where it can base its construction operations.

David Leppard

### Innocent soldiers

Sir: Hermione Goulding (Letters 25 July) regards anyone who joins up without being prepared 'to die should it be required of them' as innocent 'only in the old Scottish sense — half-witted'. I would regard any of the late 968 servicemen, Argentinian and British alike, who were killed in the Falklands in 1982 as half-witted or witless — 'innocent' *at best* — if they had been able to foresee their fate as servicemen and

decided to go through with it nonetheless. As it is, I believe them all to have been essentially innocent because there seems no valid use or reason for their deaths.

Of the many wars that have been fought this century, the second world war strikes me as the only 'just' one. This may not satisfy Hermione Goulding as the explanation her letter requested, but (with respect and sympathy to her son) if it makes one potential victim of 'Thou shalt kill if we tell you to' indoctrination reconsider 'the nature of the job', it will have served some purpose.

*Michael Horovitz*

Piedmont,  
Bisley,  
Gloucestershire

FISHING NEWS  
7 August 1987

# Floating dock for Falklands

## — islands put in £6m bid

SHORE-based facilities for the fleets fishing around the Falkland Islands could soon blossom at Port Stanley.

The Falkland Islands government has put in a six million pound plus bid to buy a floating dock at present used by the British forces.

If the bid for the dock is successful — and the government hopes to be told within the next two weeks — shore-based developments such as cold stores, bunkering facilities and even fish processing factories are likely to follow.

"We've made an offer for it," Gordon Jewkes, governor of the Falkland Islands, told *Fishing News* last week.

The dock consists of six inter-linked floating barges which were built at a cost of £25m. in 1983/84 and they have been used for taking on military cargoes for the islands.

Ocean-going ships have been alongside the dock — known as the Falkland Intermediate Port and Storage System — which has a maximum draft of 4.5m at present. But dredging could increase the depth.

The dock has roll on, roll off facilities, but no cranes.

Mr. Jewkes said it is planned that the government would own the dock and lease it to a subsidiary company of the Falkland Islands Development Corporation, of which he is chairman. The

operating firm would be a quasi-commercial company.

The governor told *Fishing News* that he still expects that fish transshipping operations will continue in the outer harbour, but that the dock would be ideal for vessel repair and maintenance and enable the shore infrastructure to be built up.

He is hoping that the dock will be bought and operated by local interests in time for the start of the new high fishing season starting in 1988.

The islands' two patrol vessels have already used the dock for maintenance work.

Other shore developments planned include a housing estate for workers connected with the developing Falklands fishing industry, which has been responsible for raising the islands' income from £7.2m. to £21m.

The islands had received £12.5m. from fishing licences by July 1 and total receipts for 1987 are expected to be £13.5m. A further £800,000 is expected from transshipment fees.

SFL goes into ventures with British fishing companies, which are then chartering vessels from Japan, Korea and Taiwan.

British personnel are going on to the vessels to gather expertise in specialised tech-

niques such as squid-jigging.

"These men should be the captains of our own squid jiggers in the future," says the FIDC. "By linking with British companies in this way the Falkland Islands are able to make an invaluable contribution to the British economy by helping to revitalise its fishing industry and directly providing jobs for British fishermen."

Stanley Fisheries is not confining its plans to squid. Fortoser Ltd. was commissioned to survey the coastline and see what it could find in the way of crab and other potentially profitable fish.

The Fortoser project is over now, but Stanley Fisheries is in the process of transporting a couple of west country crab vessels to the islands to pursue this further. By the end of its own work Fortoser was taking 1,000 crabs a day.

FIDC is also running a salmon farm experiment at Fox Bay and reports that preliminary results are encouraging. The first smolts will be transferred to the sea towards the end of this year and the project will then be taken further.

Policing of the new 150-mile fishing zone has cost £2.9m. in the first half-year and costs are expected to

reach £4m. in the full year. The operating contract for the two patrol ships is being carried out by Marr of Hull, which is running a 'turnkey' operation for the Falkland Islands government.

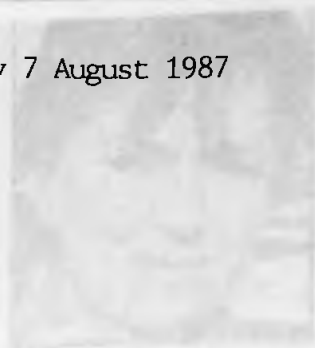
Gordon Jewkes says in the Falkland Islands Development Corporation (FIDC) report; "The Falkland Islands, probably for the first time in their history, have a source of income which should provide a sizeable surplus for investment in development."

Islanders now have an exciting but daunting task deciding how to spend the loot, he says; decisions taken now will shape the whole pattern of life in the Falklands for a decade and more.

The report points out that the islands don't have fishing expertise and that the way of exploiting the fishery has been to enter into joint ventures with overseas companies that do. The FIDC has, shrewdly, taken a 51 per cent stake in such ventures through its specialized arm, Stanley Fisheries Ltd.

This has been such a success already that SFL will manifest itself as a separate company soon, with its own annual report and accounts.

Friday 7 August 1987



Portrait: Lady Brocas

Viscount  
woos his  
ex-wife

## Her ladyship's trawler

THE GIFT from Viscount Jellicoe to his ex-wife didn't have the sleek lines of a Ferrari — but you can't catch squid with a sports car.

The unlikely present destined to put 8,000 miles between the Lady Brocas and her former husband is a six-year-old trawler.

Lady Brocas, 37, who

insists she has always been 'the best of friends' with her former spouse, plans to skipper the 45-foot vessel to the Falklands in search of illex squid, highly prized and eaten raw in Japan.

Lady Brocas, who separated from her husband in 1971 after less than a year of marriage, said: 'He knows I like going to sea and nothing could have

pleased me more. I shall be going to Cherbourg later this month to bring her to Falmouth singlehanded.'

The second-hand trawler may even reunite the pair if Lady Brocas successfully navigates the treacherous waters of the South Atlantic. Reconciliation has not been ruled out, she says.



DARING: Lady Brocas

**Viscount  
woos his  
ex-wife  
with a  
trawler  
trip to  
Falklands**

**Mountains**

Viscount Brocas, 38, is the grandson of the late Admiral Lord Jellicoe, who led the British Naval Fleet to victory in the Battle of Jutland in the warship Iron Duke.

The Viscount has not remarried and Lady Brocas says there are hopes of a reconciliation.

"We have both been up emotional mountains and down again, and we have grown up. We have always been the best of friends."

Lady Brocas, who lives in a period cottage overlooking Fal-mouth harbour with her son, 17-year-old The Hon. Justin Brocas, has written a book about her travels.

With it she hopes to pass on some of her own enthusiasm and drive to young people.

"I am an achiever and I am full of energy.

"There is nothing you can not do if you really want to. I get irritated when I hear young people saying there is nothing to live for.

"The Falklands trip is something I'm very keen on. I will probably try the local mackerel fishery this winter and hope to get a crew together for the spring."

INTREPID Viscountess Brocas is thrilled with her ex-husband's latest attempt to woo her back.

His unlikely gift is a 45-foot fishing trawler which the Viscountess plans to skipper through the stormy seas off the Falkland Islands.

Knowing her love for adventure, Viscount Brocas believes he has found the ideal offering to win his way back into his former wife's heart.

The couple divorced six years ago but have remained close friends. Now the love-boat could bring about a reunion.

The Falklands trip is no idle dream for The Honourable Lady Geraldine Ann Elizabeth Wingfield Rushworth Brocas.

The 37-year-old green-eyed Lady Brocas is a renowned explorer, a fully qualified nurse and yacht skipper, and has roamed the world from the Arctic to the Amazon in search of adventure.

Her trawler is presently moored in France, and she plans to bring it back to Fal-mouth single-handed later this month.

"I'm delighted with Patrick's gift," said Lady Brocas. "He knows that nothing could have pleased me more. Now I want to get a crew together and go mackerel fishing."



FISHING NEWS  
7 August 1987

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Gordon Jewkes says in the Falkland Islands Development Corporation (FIDC) report; "The Falkland Islands, probably for the first time in their history, have a source of income which should provide a sizeable surplus of income over expenditure for investment in development."

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Going fishing: Viscountess Brocas, bound for the Falklands.

## Falklands trawler trip for Viscountess skipper

A VISCOUNTESS is planning a fishing trip to the Falklands in a trawler given to her as a present by her former husband. Viscountess Brocas, 37, intends to skipper the 45-foot trawler herself on the voyage to the lucrative South Atlantic fishing ground.

Lady Brocas, of Falmouth, Cornwall, was divorced six years ago from the 36-year-old Viscount, grandson of Admiral of the Fleet Earl Jellicoe who led the British fleet at the Battle of Jutland.

An explorer, trained nurse and internationally-known yachswoman, Lady Brocas said yesterday: "I am delighted with the gift and I hope to get a crew together."

### Best of friends

"He knows I like going to sea and that nothing could have pleased me more. I shall be going to Cherbourg later this month to bring her to Falmouth singlehanded."

There are now hopes of a reconciliation between the couple. "We have been up emotional mountains and down again and we have grown up. We have always remained the best of friends," she said.

"The Falklands trip is something I am very keen on. I'll

probably try the local mackerel fishery this winter. There is nothing you cannot do if you really want to and I get irritated when I hear young people saying there's nothing to live for."

## Growing population for the Falklands

THE decline in population on the Falkland Islands has been reversed for the first time in 56 years, the latest census reveals.

The census, taken on 14 November 1986, shows a population of 1,916, an increase of 103 on the 1980 figure. Of the present population, 67 per cent were born in the islands, 25 per cent in the UK and 8 per cent elsewhere.

The census included 31 residents temporarily overseas, but excluded military personnel, people working on ships and contract workers.

The census also reveals that the population of the "Camp" — a Falklandism for the countryside — has declined in favour of Port Stanley. Port Stanley's population grew from 1,050 in 1980 to 1,232 in 1986, while the Camp population declined from 763 to 653.

Not surprisingly, the number of Argentine nationals has declined rather sharply — from 30 in 1980, most of them involved in running the air link to Argentina then in operation, to one in 1986. There are still 22 people on the islands who were born in Argentina, as opposed to 45 in 1980. Of the 22, some are the children of islanders who went to Argentina for the birth, taking advantage of

By Isabel Hilton  
Latin America Editor

the facilities then offered by the Argentine government, and others are people who have obtained British nationality, either as wives or children of British nationals or through long residence in the islands.

Self-sufficiency, the census confirms, is still high among the islanders' attributes. A large percentage both in Port Stanley and in Camp grow their own vegetables and keep poultry, while the evidence of ownership of such consumer goods as refrigerators, vehicles, freezers, television sets and videos demonstrates a relatively high level of material prosperity — perhaps a reflection of the fact that only 16 people said they were unemployed.

There is one mystery, however, in the census. If everybody is being entirely truthful, there are 21 more video machines than television sets in the islands. This can either be attributed to eccentricity (another island characteristic), or perhaps the self-reliant islanders have discovered a way of watching video tapes which does not involve the use of a television set.

## Hospital to use portable theatre

A PORTABLE operating theatre similar to the kind used by the armed forces in the Falklands, and which should cut the waiting list in St Helens, Merseyside, by 1,300 over the next year, was opened yesterday by Tony Newton, the Minister for Health.

The £220,000 fully-equipped theatre, a giant tin can-like structure which is bolted in five sections and linked by a corridor to existing operating theatres at St Helens Hospital, has been installed as part of the Government's drive to cut waiting lists.

The theatre, which has a 30-year life expectancy, is operational within months of the decision to purchase it. A permanent theatre would have cost more than £1m and taken up to two years to build and equip.

It will allow a three-fold increase in joint replacements this year, and by freeing other theatre space at St Helens and Whiston hospitals should allow an extra 1,300 cases from cataracts to gynaecology operations and plastic surgery to be removed from the district's 4,000-long waiting list, Derek Cumming, the authority's general manager, said.

# Press Cuttings from Broad Street Associates

EXPRESS AND STAR

5 AUG 1987



"Have you got somewhere without any Moslem fundamentalists?"



# Press Cuttings from Broad Street Associates

THE LONDON STANDARD  
(CITY PRICES)

- 5 AUG 1987



"Have you got somewhere without any Moslem Fundamentalists?"



### **Population grows in Falklands**

THE population of the Falkland Islands has increased by 5 per cent, from 1,813 to 1,916, in six years, according to the most recent census, published yesterday.

The increase is being attributed mainly to a successful campaign to encourage Britons to settle there, and to an increase in the numbers of expatriate skilled workers. Only 1.2 per cent of the population is unemployed.

## Population of Falklands is up by 5 p c

By Patrick Watts  
in Port Stanley

THE POPULATION of the Falkland Islands shows an increase of five per cent since the last count six years ago, the official census showed yesterday.

The increase from 1,813 to 1,916 is being attributed to a successful campaign to encourage Britons to settle in the Falklands since the 1982 conflict, and a considerable increase in ex-patriate skilled workers.

However, plans to increase the population even further are being thwarted by lack of accommodation in Port Stanley.

### Lowest unemployment

The census taken in November last year shows that only 1.2 per cent of the population is unemployed, probably the lowest unemployment figure in the world.

But a worrying statistic, according to the report, is the declining number of people now working on sheep farms. Since 1972, the farming population has decreased by 225 or about 12 per cent.

Rising labour costs, low wool prices, the introduction of "sheep-shearing contract gangs" and the Falklands government's policy of land subdivision are some of the factors which have led to the decline in farms population.

Another sign of the changing times is that, whereas every household used the natural and freely available peat fuel for cooking and heating until recently, 300 homes now use electricity, oil or kerosene compared with 488 which use peat.



Armed escort: America's missile destroyer Kidd guards the reflagged Kuwaiti tanker Gas Prince through the Gulf

A BRITISH company headed by two Falklands War leaders has been advising the Defence Ministry on security for British and international tankers amid the growing turmoil in the Gulf.

The company, called Defence Analysts—headed by Gen Sir Jeremy Moore, who led the Task Force to victory in 1982, and formed and run by Cdr "Sharkey" Ward, in charge of air operations in the Falklands—has been providing "safety advisers" to tanker owners for more than a year.

The little-publicised company, based at Wincanton, Somerset, has recruited ex-commandos and members of the Special Boat Squadron, the naval equivalent of the SAS, to work aboard ships using the "missile alley" off the Strait of Hormuz.

#### Dangerous work

Lloyds insurance underwriters allow tanker owners hefty discounts on premiums if they take up the company's "Passive Package" offered by Defence Analysts. Included in the package is the installation of devices to decoy missiles, advice on how to reduce the radar signature of tankers

## Falklands war veterans sail with Gulf tankers

and a Falklands veteran as an adviser.

The company refuses to give details of security methods or to say if its men are armed. But it claims to have prevented millions of pounds worth of damage in attacks during the last year. In the case of a missile attack, the adviser can show captains how to minimise damage from fire or secondary explosions.

The work is dangerous and tanker owners pay £5,000 for one of Defence Analysts' advisers to travel aboard a tanker one way up the Gulf. At present the company has men serving with 12 tanker fleets in the Middle East.

The company was formed in 1985 by Cdr Ward, an ex-Harrier pilot and expert in mine warfare. He has been critical of the American role in the Gulf and claims that his company's approach is more effective than the "John Wayne come-and-get-me tactics of the Americans".

Mr Nigel Kemble-Clarkson,

of Lloyds brokers Gault Armstrong Kemble, said: "There has to be a lot of confidentiality in this sphere, as with dealing with kidnap or terrorism, but the work of Defence Analysts has undoubtedly saved many lives and prevented millions of pounds worth of damage."

"Having these combat-trained advisers aboard has reduced losses because they have been used to being under fire and will mobilise the crew into saving the vessel rather than have them evacuate. Their various security packages have resulted in a substantial saving in insurance premiums for owners," he said.

#### Marines are best

Cdr Ward said: "We rely heavily on ex-Royal Marines for the work. They have nearly all served with the Special Boat Squadron and have experienced being under fire. They are the best people for this type of work."

The safety advisers lecture



Gen Sir Jeremy Moore

ships crews on what to expect if under fire. "They are empowered to take over a ship if necessary," said a Defence Analysts spokesman. "From the experience gleaned in the Falklands we are able to provide knowhow on what to do if under fire and how to handle a ship to minimise damage."

He confirmed that informal talks had taken place between Gen Moore, Cdr Ward and Defence Ministry experts on the Gulf.

## Trade bears fruit in the Falklands

THE STEADY triumph of commerce over international politics is bringing fresh fruit and vegetable back to the austere shores of Port Stanley. Contacts between the Falkland Islands and the South American mainland, severed after the 1982 war, have slowly and discreetly been building up.

Earlier this year, the *Forrest*, one of the Falkland Islands government's two coastal vessels, set off on what was seen as a test case journey. It was headed through the Magellan Straits, destined for Punta Arenas in Chile, for a spell in dry dock. On board was a representative of the Falkland Islands government who hoped to investigate the possibilities of re-opening direct trade with Chile, thus shortening by several thousand miles the supply lines for such items as timber and building materials.

The *Forrest*'s trip went off without incident. Its presence in Chile was reported in the local press but there was no interference with its journey back, complete with a load of timber. The voyage, however, was not the first to the mainland by a Falklands vessel since the end of hostilities.

Last year, *Forrest*'s sister ship, the *Monsoon*, made the journey to Montevideo, Uruguay, for a refit. It returned with a cargo of fresh fruit and vegetables and the trip is likely to be repeated annually.

Before the conflict, the South American mainland was an important source of fresh food, shipped down from Montevideo, for the Falklanders. In the 1970s,

By Isabel Hilton  
Latin America Editor

when Argentina was trying to build up confidence in the island, a direct airlink with Argentina was established and islanders were given the benefit of medical and educational facilities in Argentina.

This came to an abrupt end in 1982 and, under heavy diplomatic pressure from Argentina, Uruguay was unwilling to resume its former links.

Now, under the pressure of commerce, trade is slowly building up. "It's done commercially, or on a private basis," said one Falklands official. "It doesn't involve governments talking to governments."

The trade has received a large boost with the arrival of the fishing fleet. Refrigerated container vessels now load wine, fresh fruit and vegetables in Montevideo for the vessels fishing in Falkland waters.

The spin-off for the islands is that Falkland Islands Tourism, a subsidiary of the Falkland Islands Development Corporation, places bulk orders of its own for onward distribution to shops, hotels and restaurants. Since the vessels are not registered in Uruguay, the trade passes without comment.

So far, the shipping is too irregular to be a reliable source of supplies, but as the fishing business builds up, there are hopes that Falklands produce might be shipped to Uruguay for onward distribution.

# EVEN THE BRIDE WORE A THERMAL VEST!

**CRAIG LESLIE** (24), from Langside, Glasgow, is just back from a 16,000-mile round trip to be best man at a wedding in the Falkland Islands—in the middle of the freezing South Atlantic winter.

His friend Mark Alexander, also from Glasgow, went to the Falklands three years ago to work as a caterer.

## 18-Hour Flight

He fell in love with a local nurse. When they decided to marry, Mark insisted his boyhood friend Craig should be best man.

Although it meant an

18-hour flight—and a lot of expense — Craig couldn't let Mark down.

He set off from RAF Brize Norton laden with presents from Mark's relatives.

Craig also had to take a suitcase full of wedding clothes. They're hard to come by in the Falklands.

He took two new suits, ties, socks, and shoes for himself and the groom. Even two artificial carnations.

There are few islanders made quite a meal of it.

Almost the whole

population of Port Stanley turned out to pack the tiny church.

But a big problem was the Antarctic weather.

## Potato Treat

Six inches of snow fell on the big day. It was so cold all the guests wore thermal underwear.

Even the bride sported a thermal vest under her gown.

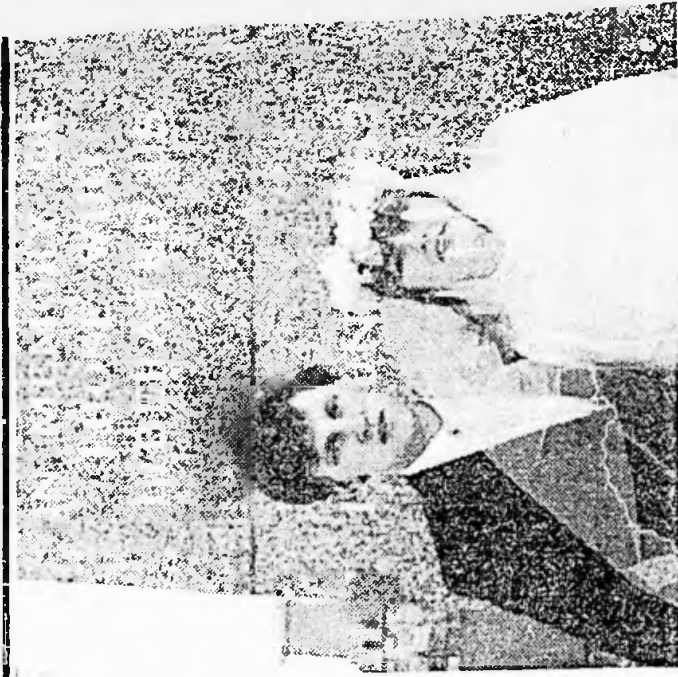
At the reception in the drill hall of the Falklands Defence Force, the meal was bangers and mash.

Sausages are a Falk-

lands speciality, but the potatoes were something of a delicacy, because they can't be grown on the islands.

Craig stayed 10 days and was overwhelmed by the hospitality.

~~~~~  
● The best man was even the wedding photographer! Craig Leslie brought home this snap of the happy couple at the memorial to the fallen in the Falklands War.



## PRIVATE ISLE

If you have ever wanted a property with a difference, here's your chance. Keppel Island in the Falklands, now up for sale, has some 9,400 freehold acres, many miles of sandy beaches, a house, a chalet, two satellite islands, 3,140 sheep and three species of penguin. It is 100 miles from Port Stanley (by air) and even has a decent history: it was settled in the 1850s as a base for a Christian mission to convert South American Indians. The biggest offer over £125,000 will secure the island. For further information, write off to Colin Smith, Abbey Mill Farm, Abbey Rd, Knaresborough, N. Yorks HG5 8HX.

EDITED BY  
ALICE HART-DAVIS



Daily Mail  
1 August 1987

ALL THE LATEST  
ANGLING REPORTS

## 'Mac' Hobley, TV pin-up of the 50s, is dead

**McDONALD Hobley, BBC TV's first post-war announcer has died, aged 70.**

The son of a clergyman at Port Stanley on the Falklands, he became the best known face on British television, when, in 1946, he beat 280 other hopefuls to land the job.

In 1956 he joined the rival ABC television for a then massive £100 a week. It was front page news.

At the independent station he proved himself a versatile performer announcer, sports commentator, quizmaster and panel game chairman.



*Hobley: £100-a-week*

### Classic

Late in his career Hobley became an actor. He appeared briefly in the classic Olivier film *The Entertainer*.

Once when the pair were out walking they were approached by a woman autograph hunter. Such was Hobley's fame at the time that, according to one of his many dinner table anecdotes, it was

his autograph she wanted. Hobley obliged.

Hobley had suffered from cancer for some time and earlier this year went into hospital to have a tumour removed.

He was recovering and convalescing at his Bournemouth home when he suffered a heart attack.

He leaves a wife, Pauline.

# TROUT AND SALMON

August 1987 £1.20

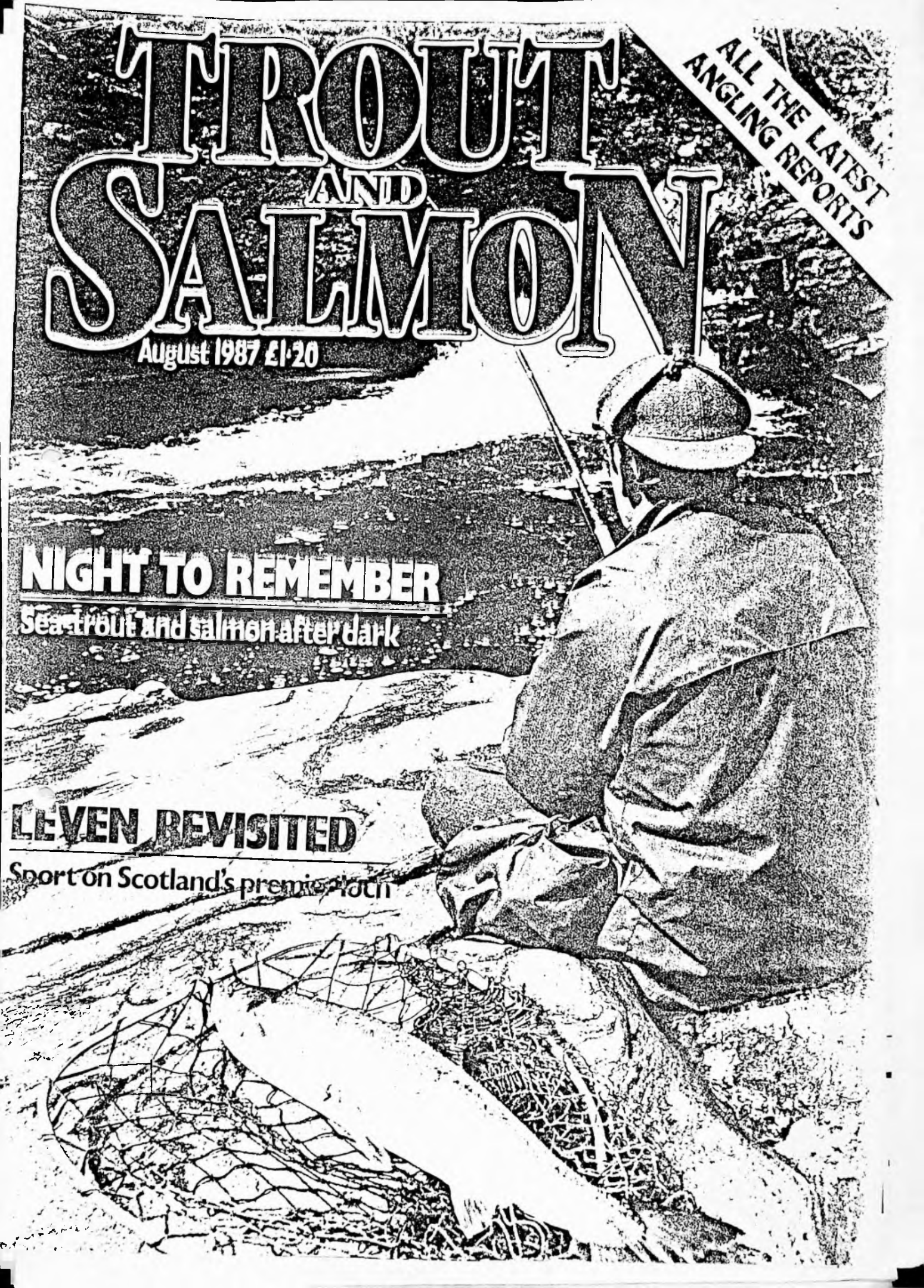
ALL THE LATEST  
ANGLING REPORTS

## NIGHT TO REMEMBER

Sea-trout and salmon after dark

## LEVEN REVISITED

Sport on Scotland's premier loch





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Catch big and beautiful  
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Read about Tom Saville's  
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Right: Meet Lough Melvin's  
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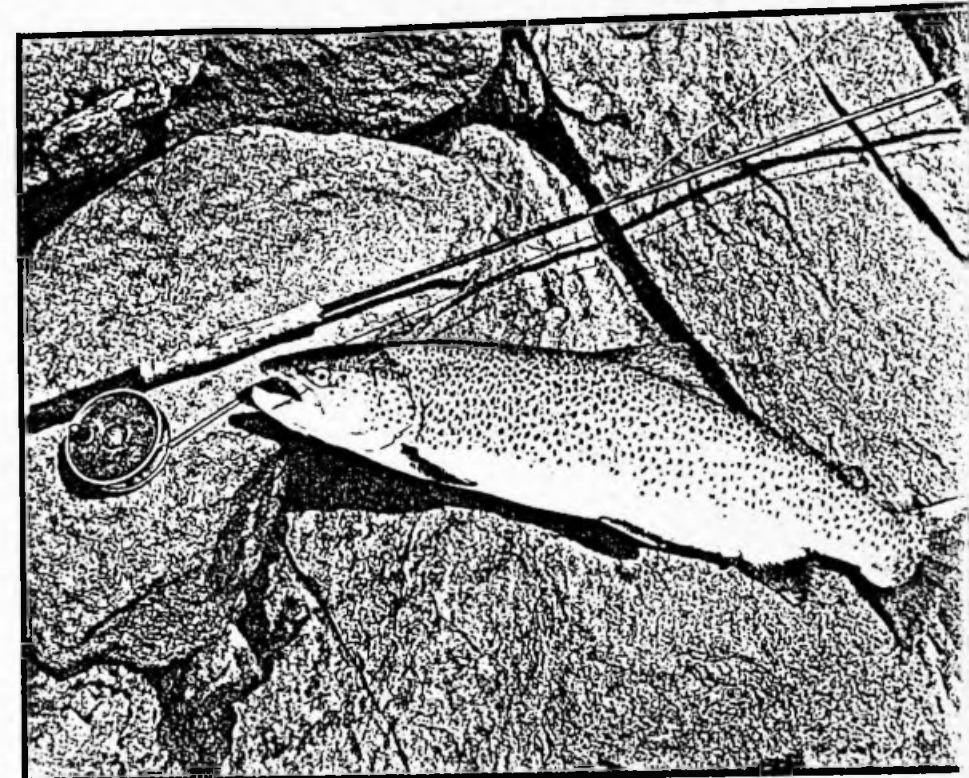




Terry Spruce, a lone figure on the Chartres River.

# SEA-TROUT OF THE SOUTH ATLANTIC

MIKE WEAVER travels to the Falkland Islands and finds unparalleled sport with huge fish in wild surroundings



An immaculate eight-pounder from the Malo River.



Fisherman Terry Spruce with a 12 1/2 lb sea-trout from the Malo River.

JUNCTION POOLS always have a special appeal and Maneas Pool on the Malo River was no exception. From the shallow run at the head, the pool broadened to nearly 30 yards wide, with the little Maneas Stream joining the right bank halfway down the pool's 70-yard length.

The smooth water shallowed at the tail and then rushed quickly round a shallow bend under a rocky outcrop which broke the normally smooth, grassy outline of the surrounding hills. Altogether, this looked a classic sea-trout pool — which indeed it was.

My first cast with the Whisky Fly produced nothing, but next cast there was a sharp pull — but it was only a small brown trout, which came wriggling in. I had hardly started the retrieve after the next cast when the fly stopped with that heavy but living resistance of a good fish, and a second later the quiet water erupted as a huge sea-trout, far bigger than any I had ever seen before, hurled itself into the air and fell back with a resounding crash. In that second, I knew that I was in contact with what had attracted me 8,000 miles south in search of the fabled sea-trout of the Falkland Islands.

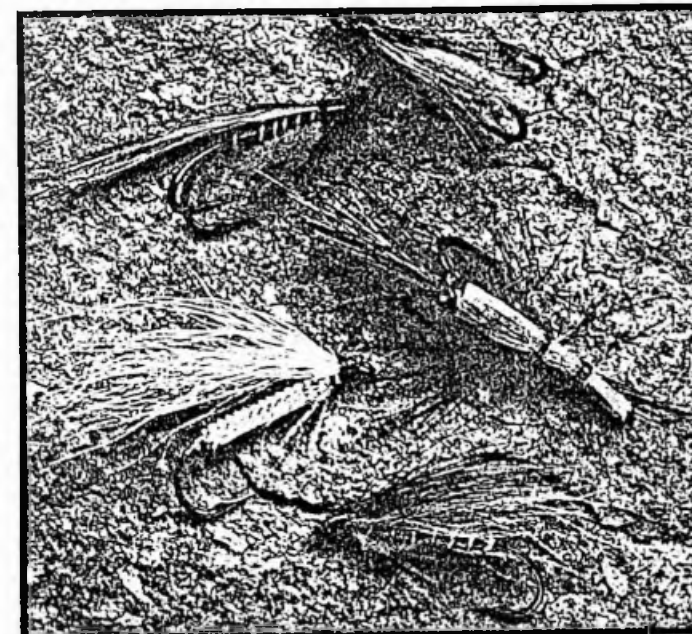
For some time, the word has been out that some of the best sea-trout fishing in the world is to be found in these remote islands off the southern part of South America and I had flown south to find out just how good this fishing really is. The first surprise is that although the Falklands are almost at the bottom end of the world, the travelling time is surprisingly short.

At 3pm on the afternoon of February 2, I was clearing up my desk in my Exeter office, yet at the same time on the following day I

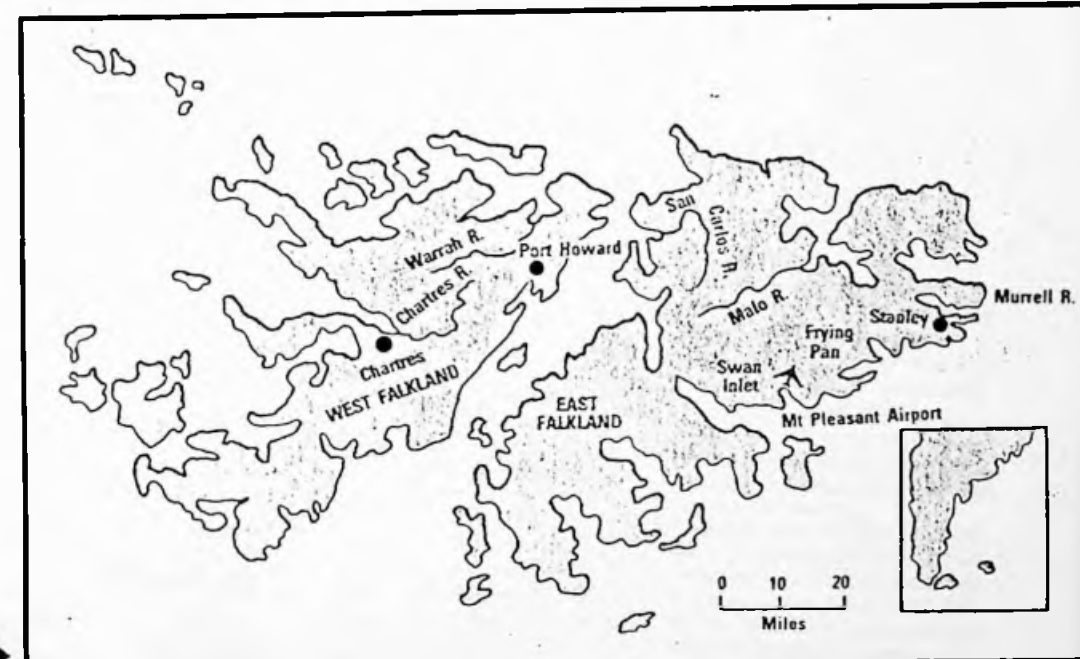
was enjoying a cup of tea with Bill and Pat Luxton at their remote settlement of Chartres on West Falkland. In the ensuing time, I had driven to Brize Norton in Oxfordshire, flown by RAF Tristar via Ascension to Mount Pleasant Airport, and then taken the Falkland Islands Government Air Service (FIGAS) flight, with brief stops at Port Howard and Roy Cove, to Chartres. At Mount Pleasant I had been met by Dave Morgan, of Falkland Islands Tourism, and Terry Spruce, who is chairman of the Falklands Islands Fishing Club. Terry had joined me for the flight to Chartres and for the next few days' fishing.

Next morning, in the capable hands of Bill Luxton, we headed up the estuary in the Land-Rover for the freshwater reaches of the Chartres River, having already seen a bag full of frozen sea-trout which Bill and Pat had taken on spinner in a brief outing the previous week. Normally, the late runs only get under way in mid- or even late-February, but the 1986-87 summer had been the wettest for many years and the sea-trout were already into most streams in time for my visit. The upper Chartres River meanders through rolling grassland with mountains on the skyline in every direction — a place of rare beauty and incredible solitude. Indeed, the sheer size and solitude of the Falklands is the first surprise of every visitor. Try to think of somewhere half the size of Wales with a population of just over 2,000 and you begin to understand the emptiness!

Eventually we arrived at a deep, slow pool where the river curved under a low escarpment, its rim patrolled by a lone turkey vulture riding the upcurrent. Even as we alighted from the Land-Rover, a sea-trout moved under the far



These are the flies for Falklands sea-trout, which feed on krill before entering the rivers.



We parked at the fishing hut,

before coming to the net.



# SEA-TROUT OF THE SOUTH ATLANTIC

bank, so tackling up with the nine-foot rod, size eight medium fly was carried out with some haste. In fact, that first pool failed to produce anything, but as I worked downstream I took my first Falkland fish; not a sea-trout but a half-pound brownie, as were the next two fish. A change of fly seemed desirable so on went a pattern with a blue and green hairwing and a silver mylar piping body, a change which immediately resulted in the first sea-trout, a two-pounder.

At the next pool, my first cast went solid. "Bottom!" I called to Terry, and then "No it isn't!" as a good fish exploded on the surface and the rod jerked under the

strain. Not very big by Falkland standards but a fine cock fish of nearly 5 lb.

By now the day had become distinctly warm and the brown trout were rising well to hatches of a sand-coloured sedge and a black gnat that looked identical to our own *Bibio johannis*. With the cloudless sky, rising temperature and low water, conditions would have been considered hopeless back home, but four more sea-trout around 4 lb came to my fly, plus a string of brownies to nearly 1 lb. However, my abiding recollection of the Chartres River on that beautiful day is sitting on the bank in the sunshine, with cold roast lamb's rib in one hand and a gin-and-tonic in the other. Life is

hard out in the Camp, as they call the Falkland countryside!

Next day we flew to Port Howard, where Robin Lee took us out to see the Warrah River, some 12 miles to the north-west. The Warrah, Robin told us, had seen a good run of sea-trout the week before and catches had included a 14-pounder, but since then little had been seen. We parked the Land-Rover just above the mouth of a tributary, the Green Hills Stream, and walked down to the long pool at the top of the gorge. I fished down the pool with the same blue and green hairwing with no response until reaching the tail, where a fish of 4½ lb obliged. We then walked right down the gorge, past a series of lovely little runs and pools which I would have loved to fish if more time had been available. There was just time to fish one big pool at the bottom of the gorge and immediately I was into a fish of 6 lb 10 oz, which ran to every corner of the pool before Robin lifted it out of the water. It had been well worth the long walk down the gorge.

Then it was on to Stanley, to prepare for a weekend on the fabulous Malo River, which Terry Spruce organised as a highlight of my visit — and so it proved. At 5.30 on Saturday morning, Terry, Dave Morgan and I set out in two Land-Rovers on the three-to-four-hour trek to the Malo across some of the toughest going any sea-trout fisherman is likely to encounter. As the crow flies, the Malo is only five miles from Stanley but, apart from a few miles on the new road to Mount Pleasant Airport, the whole trip is on a thin crust of vegetation over many feet of soft peat, with occasional outcrops of stony ground which give both vehicle and occupants a severe shaking

## Down to the axle

I soon learned why we were travelling in two vehicles when, only shortly after leaving the road, Dave's wheels cut through the surface and in a moment he was down to the axle. Using Terry's Land-Rover as an anchor, we quickly winched Dave on to firmer ground, a process that was repeated several times before we reached the Malo, nearly four hours out of Stanley.

My first glimpse of the river revealed why the members of the Falkland Islands Fishing Club, who rent 15 miles of the river, were willing to make such an arduous journey for their fishing. Upstream was a series of beguiling pools and runs which looked perfect for fly-fishing, while downstream the Malo became tidal and flowed through a rocky gorge before heading for the sea. We parked at the fishing hut,

The writer with a fat nine-pounder from the Malo River.

which has been built and extended over the years by the club, and overlooks this wonderful stretch of river.

In the hut, I looked at the club log book, which must be one of the most fantastic records of sea-trout catches anywhere, the lists of names, dates and weights giving only an indication of many epic fishing days. On one page a record of a member's four-day catch of 17 sea-trout from 7 lb-14 lb, on another page a day's catch of six fish from 7 lb to 15 lb — these were far from remarkable and did not include many smaller fish which were returned. But even in this magnificent record, one fish stood out clearly — the huge sea-trout just two ounces over 20 lb taken by Terry Spruce on September 2 last year, the second day of the season.

It was below the hut, where the Malo runs through the narrow gorge, that I made my first cast from a gravel beach revealed by the low tide. At the third cast under the cliff on the far bank, there was a satisfying pull which resulted in a fish of 8 lb, followed in the next hour by a three-pounder and then a superb sea-trout just short of 9 lb. All of these fish were taken on an orange hairwing pattern, tied to remind the sea-trout of the krill, a shrimp found in incredible numbers off the Falklands, which contribute to the fantastic growth-rate of the sea-trout. All were in superb condition and fought savagely before coming to the net.



Two other members were also fishing and one of them, Fred Cheong, had already taken a sea-trout of nearly 10 lb. By early afternoon, the fishing in the tidal water had gone quiet and Fred suggested that we take a walk upstream to see the freshwater pools — and that was how I came to Maneas Pool, where this article started. I have never wanted to land a fish more than that magnificent hen sea-trout and, in spite of several more heart-stopping jumps, the size eight single hook stuck and eventually I was able to pull it over Fred's large landing net. Back on the club scales at the hut, it weighed exactly 13 lb.

Throughout that afternoon of brilliant sunshine, several more good fish were taken, though nothing bigger than 7 lb. My tally for the day's fishing was eight sea-trout, with the top three fish averaging 10 lb, a catch I doubt I

will ever come near to equalling.

Next morning the weather had turned cloudy with a chilly wind, but down in the gorge the sea-trout were jumping and in less than an hour Fred Cheong had taken a splendid brace of cock sea-trout both over 12 lb. I had to settle for a best fish of 9 lb, but just before midday I came close to taking another really big sea-trout. I was fishing once again from the gravel spit at the head of the gorge and a fish well into double figures had shown three times close under the cliff on the far bank. At last I managed to cast the 25 yards against that fierce Falkland wind to where the fish had risen and there it was, tearing off line in the direction of the sea. Twice I recovered most of the line before it was ripped off the reel once more and all was slack and I reeled in to find the hook had broken at the bend. The rocky bottom had been taking its toll of the orange

flies in my box and I had been reduced to an ageing orange marabou lure on a hook that was clearly no longer up to the job. The moral is, if you go to the Falklands, take plenty of orange lures on strong new hooks!

And then it was time for the long drive back to Stanley with memories of the remote water of the Malo and those huge fish which must make it one of the world's greatest sea-trout fisheries.

The rest of my stay was spent exploring the rivers and creeks within easy reach of Stanley — the Murrell, Frying Pan and Swan Inlet. Although the fish were smaller than those we had caught on the Malo, everywhere we fished produced sea-trout, and plenty of them up to 7 lb — proof, if any were needed, of the way in which these fish have spread from the few places where they were first stocked over 30 years ago. From those original plantings with brown trout, a migratory population has developed to the point where there are now runs of sea-trout into any suitable stream on both islands, and there are signs that their size may still be increasing. A 25-pounder must now be a real possibility, especially on the Malo.

The choice of tackle for the Falklands is all about coping with the wind, and the locals favour a carbon rod of ten feet which will take a nine or 10 line, and an extension butt is very useful for playing so many big fish. Leaders should taper to a 12 lb point and most Falkland flies are tied on size six, eight or 10 double salmon

hooks, both standard and low water. Although a shrimp fly makes sense for sea-trout which have been feeding on krill, I found any orange pattern like a Whisky Fly worked well, and my single hooks in size six and eight hardly lost a fish.

The Falkland weather, although far less hostile than its reputation, is very changeable and clothing should be proofed against rain and wind.

"We often have all four seasons in a day" the locals say, or "If you don't like the weather, hang around for ten minutes and it will change". Thigh waders are essential on most rivers.

Before my visit, my only worry was that much of what I had read about Falkland fishing suggested that most of the sea-trout were taken on spinner. I suppose that is still true but my own brief experience, and that of regular Falkland fly-fishers, would indicate that the fly will probably catch more and bigger sea-trout than the spinner, at least on rivers. I used a spinner only in the sea and then a seven-foot glass rod, fixed-spool reel, 12 lb line and a selection of bar spoons and heavy Toby spoons or similar worked well.

The sea-trout season runs from September 1 until April 30, but the best fishing is from the beginning of the season to the middle of November and from the middle of February to the end of the season. In between, the rivers are likely to be empty of sea-trout, except in a very wet season, and I was fortunate that the sea-trout were running so early this year. If I ever get to the Falklands again, I would probably choose March, when the autumn runs are reaching their peak, but before the weather deteriorates too much.

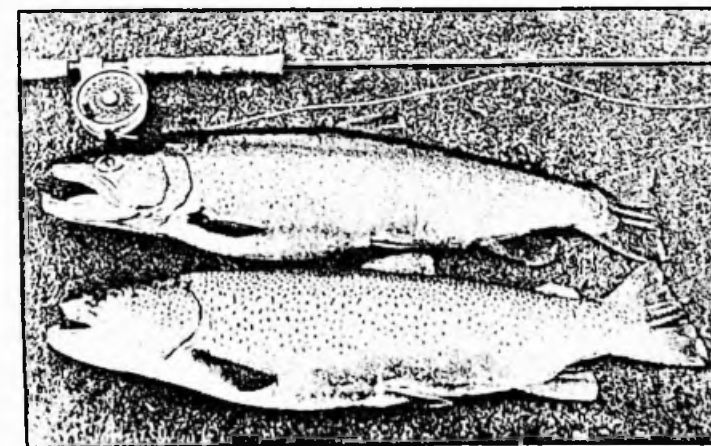
Even without fishing, a trip to the Falklands is a memorable experience. Any but the most single-minded angler must look up from the river from time to time and nowhere are such diversions more rewarding. My memories of the unique Falkland birdlife include a starling with a brilliant red breast, the soaring turkey vulture, the flightless steamer duck, jackass penguins peering from their burrows at the edge of an airstrip, and the ubiquitous upland goose. Add to that the haunting smell of peat fires, the hospitality of the Falklanders, the lovely rivers in their remote settings and those splendid sea-trout — and you have something very special.

## Information

For information about the Falklands, contact Falkland Island Tourism, 126 Wetherby Road, York YO2 5BY. Tel: (0904) 782136.



Mike Weaver with his 13-pounder from Maneas Pool on the Malo River.



Fred Cheong's Sunday-morning brace of sea-trout: 12½ lb and 12¼ lb.

# FALKLANDS FLEET DROPS TO 90

ONLY 90 fishing vessels from the international fleet will be taking part in the second season of fishing around the Falkland Islands, the government of the Falkland Islands announced in late June. The figure for the first season was 215.

There were 96 applications by owners for their vessels to fish the zone between July 1 and December 31 this year and 90 were approved. Of the 90, sixty-two received licences to fish for finfish only and these include 30 Polish vessels, 19 Spanish, four Japanese, three Koreans, three British, and one each from the UK, Italy and Panama.

Vessels licensed to fish *Loligo* squid total 28 and include 16 from Spain, six Japan, two Italy, two Korea, also one each from Greece and the UK.

According to the Falkland Islands government, "it has been decided that on conservation grounds it is necessary to limit the number of licences for the *Loligo* squid fishery and, initially, to restrict the fishery to the months of August and September.

"These restrictions are

considered necessary to ensure that overfishing of *Loligo* stocks does not occur. It has not, therefore, been possible to offer all applicants licences of their first choice."

Two months of monitoring on *Loligo* squid stocks has suggested the need for caution but, if the stocks are seen to be plentiful, the *Loligo* season could be continued beyond September, said a spokesman.

Meanwhile, a joint ven-

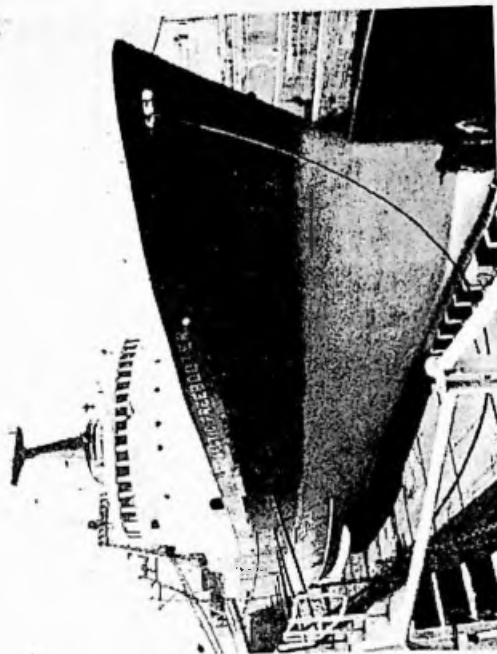
ture between Witte Boyd of Hull and the Falkland Islands Development Corporation has been announced to fish the former Hull freezer stern trawler the *Arctic Freebooter* on squid inside the island's 150-mile limit.

The 1500-ton ship will be renamed the *Lord Shackleton* and she has been undergoing conversion work in Hull so that she can start her new career in October this year.

She will be operated by SWB Fishing Ltd, a company formed to operate the joint venture, and the ship will be crewed by Humber fishermen.

Witte Boyd said: "We pushed hard to become involved and received considerable support in the islands."

In February this year Witte Boyd announced that it was setting out to establish a year-round fishery off



The *Arctic Freebooter* — changing her name and refitting to take part in a fishing venture off the Falkland Islands.

the Falklands and the company was formed to combine the fish-catching and vessel management knowledge of Boyd Line Management Services of Hull and the inter-

national fish trading experience of Witte UK. In the first season, Witte Boyd operated with Japanese and Taiwanese jiggers.



# Taiwan's South Atlantic hopes

FISHING NEWS INTERNATIONAL  
August 1987

A CONSORTIUM of Taiwan fishing firms is planning to enter into a joint venture with an Argentine concern to gain access for Taiwan fishing craft to the rich waters controlled by the South American country.

An official of Taiwan's Council for Agriculture reported that more than 40 Republic of China fishing companies have expressed an interest in taking part in the proposed venture, which would allow Taiwanese boats to operate legally in Argentina's 200-mile exclusive zone.

The Argentine government, which has strictly enforced its rights over territorial waters, is said to be planning to announce a new fishing policy in September. The new regulations are aimed at attracting foreign investment and technology to aid the nation's fishing industry.

Fishing industry representatives from Taiwan are currently in Indonesia to look into the feasibility of forming joint ventures with at least three Indonesian fishing companies.

According to industry sources, the proposed joint ventures would cover both catching and processing, as well as ship repairs.

Indonesian firms are said to be eager to form ventures with foreign companies which can provide them with much needed technology. At present, the only foreign companies engaged in joint ventures with Indonesian fishing firms are US concerns.

# Oil supplies for vessels from Iceland to Falklands

## Fuel firm bunkers ships from 20 countries

FISHING vessels, transport ships and klongdykers from over 20 countries are being fuelled around the world by a specialist bunkering company based near London, England. The company, Tramp Oil and Marine Ltd., is building up an expanding trade with fishing fleets.

Tramp works on a 24 hour, seven days a week, basis so that it can respond quickly to the needs of fishing vessel owners in organising supplies of both fuel and lube oils, plus hydraulic fluid.

Chris Carlsen, chairman of Tramp, believes that many fishing vessel owners who leave their bunkering arrangements to normal agents have been paying too much.

Tramp's flexible approach to the business can give them benefits in speedy delivery and a service geared specifically to the demands of the fishing fleet.

The company even recognises that the owners of fishing vessels sailing on five-month trips to distant waters can suffer cash flow problems due to the time taken for fish to be caught, transported and sold, so it is prepared to gear its terms to the needs of individual operators when required.

Also, it can even deal in currencies other than the US \$, which is the standard used to buy fuel in most parts of the world.

Tramp began as a ship chartering company and the bunkering services grew out of it. Now, Tramp's refuelling activities have overtaken its business in ship chartering to carry dry cargoes, while a fairly new addition to its services is the supply of lube oil.

Tramp Oil began in fishing by bunkering vessels at Las Palmas, in the Canary Islands, which is an international crossroads for fishing

fleets. The Spanish were first to take advantage of Tramp's service and, before long, the fishing fleets operated by the Koreans, Taiwanese and the Chinese were being supplied.

Early success encouraged Tramp to offer bunkering supplies to the fleets working off the coast of Africa, at ports such as at Abidjan and Dakar. Then, the trade moved further on to Angola and Cape Town before the explosion in fishing off the Falkland Islands saw Tramp bunkering vessels in that area of the South Atlantic.

For the Falklands run, Tramp chartered tankers able to carry up to 5000 tons of fuel which was bought on the spot market at Houston, Texas. It takes a tanker 25 days to make the trip south to the Falklands from Texas before arriving out the 'milk round' to refuel the fleet.

### French

Among the ships Tramp has transported fuel for are the patrol vessels *Falklands Desire* and *Falklands Right*, and the *Captain Gue*. She is the only French vessel to have won a licence in the first season of Falklands fishing.

Vessel owners are able to take advantage of the buying power resulting from Tramp's purchase of 1.3 million tons of fuel annually, the bulk of which is used to supply dry cargo vessels around the world.

The company trades in oil and does not act on a commission basis. Its headquarters at Bromley, just outside London, is well placed to take advantage of the competitive vessel chartering services London can offer.

## Don't spend money like water ...save it?

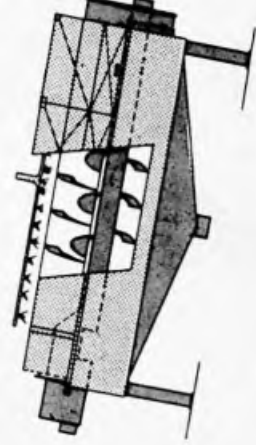
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The Falklands Right on patrol off the Falkland Islands. Tramp has supplied her with fuel.

Contacts with the French and Spanish led to Tramp bunkering their vessels while they are operating in the Indian Ocean for tuna. The fleet call at the Seychelles and Madagascar where there are repair and slipping facilities for the ships which can be away from their home ports for years.

Another trade Tramp has developed is with the Icelandic trawlers which trip their fish from the northern grounds into Bremerhaven and Cuxhaven, in Germany, and Hull and Grimsby, England.

The trawlers are on a two-day turnaround and fuel is generally supplied on the second day prior to sailing. Chris Carlsen recently travelled to Iceland to discuss fuel and lube oil supplies with Icelandic owners, although these Icelandic ships will only take supplies outside Icelandic waters as the country buys a large proportion of its oil on a government to government basis from the Soviet Union and supplies are allocated by Iceland's three main oil companies.

Fishing vessels generally burn high grade gas oil and Tramp is able to buy from the six major companies and from 168 independent oil companies worldwide.

"Fishing vessel owners are getting a package of bunkering and lube oils from us," said Jack Rudd, manager of bunkering and technical services.

Contacts are expanded when Tramp Oil men travel to the round of international fishing exhibitions and Mr. Carlsen will be attending the show being held at Reykjavik.

Tramp is supplying fleets in other areas, too. The company has been bunkering supertrawlers based at Killybegs, Ireland; vessels taking part in the herring and mackerel klongdyking operations around the British Isles; also, Dutch vessels operating in Scottish waters and calling in at Fleetwood.

The company's expertise has even enabled it to supply the Taiwanese fleet on its own doorstep from Singapore and it has also bunkered fishing vessels in Bombay, India, and Sri Lanka.

Fishing vessels generally burn high grade gas oil and Tramp is able to buy from the six major companies and from 168 independent oil companies worldwide.

Owners telephoning Tramp to enquire about supplies can be quoted prices from 3500 ports at the touch of a keyboard and, as prices are quoted worldwide on a

daily basis, the computers are updated each evening to start work the next day.

The computers can also display a customer's sales record, so that the price and the quantity of the last deal is instantly recalled.

A very careful watch is kept on the fluctuating international currencies — especially the dollar — but Tramp is prepared to deal in currencies which can be converted.

The lube oil side of the business is handled by Ray Masson, lubricants manager. He offers a free lubrication planning service.

Tramp's chairman, Chris Carlsen, is convinced that the company's business in the fishing industry will grow all the time it can offer a specific package geared to fishing vessel operators which can include fast delivery and even bunkering on the high seas.

The company is able to supply fuel to organisations which want to make their own delivery arrangements or which have storage facilities.

## What to check...

FUEL OIL is supplied by Tramp to the British specification, as an international one has yet to be agreed. And the company has published its own *Tramp Oil Guide to Good Bunkering Practice*, which sets out the golden rules of how a vessel should take on fuel.

A tape and water finding paste method is recommended for distillates and the company believes that it is best to play safe and take samples which can be given a water test with a special kit.

Hose tightness should be checked, gauges and readings examined and meters read before and after deliveries.

Test kits for fuel are being used more frequently around the world, according to Tramp, and it is able to supply customers with these kits.

"The basic message is that prevention is better than cure," concludes Tramp, in an effort to ensure that customers get value for money and what they order.

Jack Rudd, the manager of bunkering and technical services, advises that chief engineers should always check the suppliers' paperwork to make certain that the load conforms in terms of quantity and fuel specification to what has been ordered.

The chief engineer should also check that an unacceptable amount of water is not contained in the fuel, suggesting that the maximum allowable should be 0.05%.

The chief engineer should also check that an unacceptable amount of water is not contained in the fuel, suggesting that the maximum allowable should be 0.05%.

# Falklands: The story the Navy wanted told

THIS reviewer has lost count of the number of books on the Falklands War that he has dealt with over the five years since the end of the campaign.

They have ranged in tenor from authoritative to incredible; some have been written in wisdom, some not.

So, ordinarily, no eyebrows were raised when yet another new volume on the conflict arrived for Navy News's attention. However, *The Royal Navy and the Falklands War* deserves close scrutiny, as it is the nearest to an official history that is likely to be published for some time.

Author David Brown was head of the former Naval Historical Branch at the Ministry of Defence, and at the end of 1982 was asked by the then Vice-Chief of the Defence Staff to write a narrative of the naval side of the campaign, for the sake of the men who took part in it.

## Threat

Although ageing, the Belgrano's guns out-ranged all those of her opponents, her heavy armour protected her well against enemy shells and Exocet missiles. The only weapons with which Admiral Woodward could deal effectively with the cruiser were submarine-launched torpedoes and bombs from his small, overstretched force of Sea Harriers.

As well as posing a threat to the carrier battle group, the Belgrano was well placed for a raid on South Georgia — a move which could not be countered by the carriers as long as they had to mark the movements of the Argentine aircraft carrier 25 de Mayo, forming the main element of the enemy's northerly pincer.

## Belgrano

As one might expect from a book published with the permission of the MOD, no secrets are revealed and hard facts are not eschewed in favour of speculation. It is precisely for that reason that Mr. Brown's book is so readable, its dedication to the known facts being its main strength.

Predictably, the author mounts an unequivocal defence of the decision to attack the Argentine cruiser Belgrano, but his arguments are so cogent and seemingly rooted in fact that they are powerful assets to the

## Darkness

At the time, the Belgrano group was being shadowed by the submarine HMS Conqueror, and although the cruiser had been slowly making her way towards the west — and away from the islands — during May 2, she still posed a serious threat. If she turned during the nightfall, she would have 15 hours under cover of darkness to approach the British carriers.

Not only that, but the Burdwood Bank — a series of underwater ridges and pinnacles to the south of the islands — in places gave a depth of only 150 ft. It was not a place in which a submarine such as the Conqueror could have operated safely, and if the Belgrano passed over the shoals the Conqueror could have easily lost her target.

The indications . . . obliged Admiral Woodward to request an extension of the Rules of Engagement which would permit the Conqueror to eliminate

the threat from the south-west," writes the author.

That request was passed up the chain of command and presented to the War Cabinet by the then Chief of the Defence Staff, Admiral of the Fleet Lord Lewin. He pointed out to Britain's political leaders that the present courses and speeds of the Argentine groups were irrelevant.

On such strong military advice, "The War Cabinet approved the amendment to the rules to permit the submarine to attack the cruiser and the appropriate signal was transmitted to HMS Conqueror at 1330 GMT (mid-morning off the Falklands)".

Therefore, if this version of events is to be accepted, the War Cabinet did not initiate moves to attack the Belgrano, as has sometimes been implied.

## Urgent

On allegations that the sinking "scuttled" peace proposals by the President of Peru, Mr. Brown writes that the president offered his plan direct to the Junta and publicly announced its existence before the Argentine leaders had replied or the British Cabinet even knew of its terms.

Tactical situations tend to develop at a more urgent pace than diplomatic manoeuvres and although the Argentine

Navy had attempted to make the first escalatory moves on 2 May . . . it was the Royal Navy which struck first on that day.

In military terms, the sinking seems justified by subsequent events — or, rather, non-events:

"As the news of the heavy loss of life reached the world, Argentina began to enjoy widespread public sympathy, but this does not win wars and the Junta could not afford the loss of prestige which would have attended the sinking of 25 de Mayo or the Type 42 destroyers and they played no further effective part in the war."

"The Royal Navy and the Falklands War" is published by Leo Cooper price £16.95.

second daughter, John, was born.

# LIFE WITH THE SEA LIONS

by ANGELA  
WIGGLESWORTH

THE GRAY FAMILY  
MOVED TO THE  
FALKLANDS WHERE THE  
SHEEP AND THE SEALS  
FAR OUTNUMBER THE  
HUMANS — BUT THEY  
HAVE FEW REGRETS.

**W**E lived in a beautiful, brand new, four-bedroomed bungalow with ornamental stonework and fish ponds in the garden and a brand new car — everything that a young family could want," David Gray admitted. "But life was speeding past us and for what end? To have a new car, new furniture and keep up with the Joneses?"

It just wasn't enough for him or his wife Pat and, in 1974, they decided to sell their house on the outskirts of Middlesbrough and go to live in the Falkland Islands, 8000 miles away in the South Atlantic, a place few people in the U.K. had heard of before the 1982 conflict with Argentina.

Today David and Pat are running a newly-built wildlife lodge on Sea Lion Island, one of the most southerly of the inhabited Falkland Islands with a population — including themselves — of seven.

"We talked about it for two years before we decided to go," David said, an electrician to trade. "I'd worked in a factory with a man from the Falklands and he'd talked about the islands and the wildlife and the freedom of it all. It was the freedom and lack of restrictions that appealed to us."

His first application for a job was rejected — there was no available accommodation. But when he

applied the following year he was accepted. Six months later he was working as an electrician at Goose Green settlement with its 20 or 30 houses, schools and the largest sheep-shearing sheds in the world.

Pat, with their three-year-old daughter, Andrea, to look after, was battling with another set of problems. "You have to make all your own bread, milk the cow and cook with peat as your fuel source," she said. "I'd never done any of those things before. Cooking on a peat-fuelled stove is quite an experience. You get used to it in the end but many a time I'd let the fire go out just before David was due in and couldn't get the heat up in time to cook his dinner."

"One day I'd just finished milking the cow when it kicked the milk out of my hand. I went home in tears with only a couple of inches at the bottom of the bucket!"

"We had to make our own vegetable garden as the only way to get fresh vegetables is to grow your own and we'd never done that before. But neighbours were very helpful. They used to come over with milk and vegetables during the first year."

"Initially I wasn't entirely sure we'd done the right thing," David admitted. "You do get a bit down sometimes. But then I'd think of life in England where we had the material things we haven't got here, but no real satisfaction."

"For instance, I used to go to work very early and never saw Andrea because she was in bed and it was the same when I got home at eight at night. I'd only see her on Sundays. Here we mightn't have television or newspapers, but life is fuller in a lot of ways and does give you more in return. And as time goes on, I've come to realise we did do the right thing."

They stayed at Goose Green for 12 years during which time their

cont...



second daughter, Johan, was born. Then in March 1986 they made another big decision: to move to the isolated Sea Lion Island where the only other inhabitants, Doreen and Terry Clifton and their 13-year-old daughter Marie, farm 1600 sheep.

"We felt we wanted to do something on our own," David said, "and thought we'd like to run one of the new holiday lodges being set up by the Falkland Island Development Corporation. We'd never done anything like it before but had done a lot of entertaining and do enjoy meeting people."

It was, he admits, "a bit hair raising" at first for it wasn't just a matter of moving into an existing hotel. The lodge had to be built and David was appointed project manager.

"It's designed by a company near Edinburgh, but the logistics of getting anything here are enormous," he said. "All the building material had to be brought in by helicopter and the furniture came by ship and had to be hauled up a ramp on the rocky cliff some thirty-five feet high. Then it was taken by tractor and trailer across rough grass to the lodge a few miles away." There are no roads on Sea Lion.

The foundations were laid on June 2 and David and Pat opened for business on November 28. As neither had cooked professionally before, they employed an English chef whom they'd met in England and now they plan the menus together.

**M**UCH of the produce is necessarily around them: milk and cream from the cows, eggs from the hens, mutton from the sheep. But vegetables, until their own garden is established, have to be flown in from Stanley. Water is pumped from a nearby spring, fed through a



sterilisation unit and heated by peat. They generate their own electricity.

"Pat says I get a bit ratty at times," David said with a laugh, "but we've only been going a short time and the hours are long." A typical day, he said, would include stoking up the fires for cooking breakfast, cleaning out the boiler-room fires for the central heating, filling up the power-house engine with diesel for electricity, checking oil, chopping peat in small pieces so it gives off more heat, filling drums with diesel oil for the engines. Land-Rover and tractor, and checking water tanks. And that's just before breakfast!

Afterwards he gives the guests a guided tour of the island to see the hundreds of penguins, elephant seals, sea lions and the many different kinds of birds. He helps to serve lunch, does maintenance jobs in the hotel, works in the garden, serves behind the bar of an evening, banks fires and the boiler and switches the engine off when everyone has gone to bed.

Pat has an equally busy action-packed day helping to cook for the guests, cleaning the hotel rooms, sorting out the laundry, serving



Chopping wood — their only fuel source.

lunch, tea and drinks behind the bar of an evening.

It's a harder life than the one they left behind in England, but neither regret the move.

"We keep in touch with friends by letter. It's not the same, of course, you can't go out on a Saturday night. That's gone, but you can have too much of the bright lights and in England, you always had to get up next morning to go to work to earn the money to go out and enjoy yourself the next time. You don't think of it that way when you're there, but looking back on it, you

see it as it really was."

Pat said she did miss going to the hairdresser and window shopping. "We have to use catalogues and buy clothes when we can afford to go home on leave, which has been every four years so far."

"If I miss anything, it's the trees," David admits. "I lived near woods at home and there aren't any in the Falklands, it's too windy. But I think I'm one of those chaps who can be happy just sitting by a bank watching a float. I've even stopped smoking my pipe and I'd been doing that since I was seventeen."

A DOCTOR visits the island every six weeks in the little eight-seater Islander plane that lands on Sea Lion's windswept grass when David has cleared the sheep from the grass "runway." The dentist comes once a year though you can go to Stanley straightaway if necessary and dental treatment is free. Planes fly in most days with visitors who come to see the wildlife.

Andrea, now 15, goes to boarding school in Stanley. If she gets her "O"-Levels, she'll go to college in England. Johan, now 10, is going to the Stanley school this year, but isn't looking forward to it. "It's more fun out here," she said. "I like going down to the beaches and watching the wildlife. I don't go too close to the sea lions, though, they're very vicious." She has a travelling teacher who visits the island for two weeks in every six to give lessons to Johan and her neighbour Marie Clifton. The rest of the time they get 15 minutes each day on the radio telephone.

"Sometimes I've had little twinges at leaving Goose Green," Pat admitted, "but these early months on Sea Lion are bound to be difficult."

David felt it was an interesting challenge. "We're both forty-three and at a crossroads in our lives. We think we are right to try something

like this while we're young enough to enjoy it rather than look back at being very well off at Goose Green but always wondering for the rest of our lives if we should have done this when we had the chance."

To live on an island with only one other family for company calls for a happy, stable marriage. "We've been married for twenty-five years this March," said David. "We do have the odd rift, of course, but never any real problems."

"We're only just starting to work all day together," Pat said, "and I think when we get into a routine and everything's flowing, it will be fine."

There's one episode in their lives which they'll never forget. David described it.

"Two days after the Argentinians landed in Stanley they came on to Goose Green. At first they didn't bother us, just checked us out."

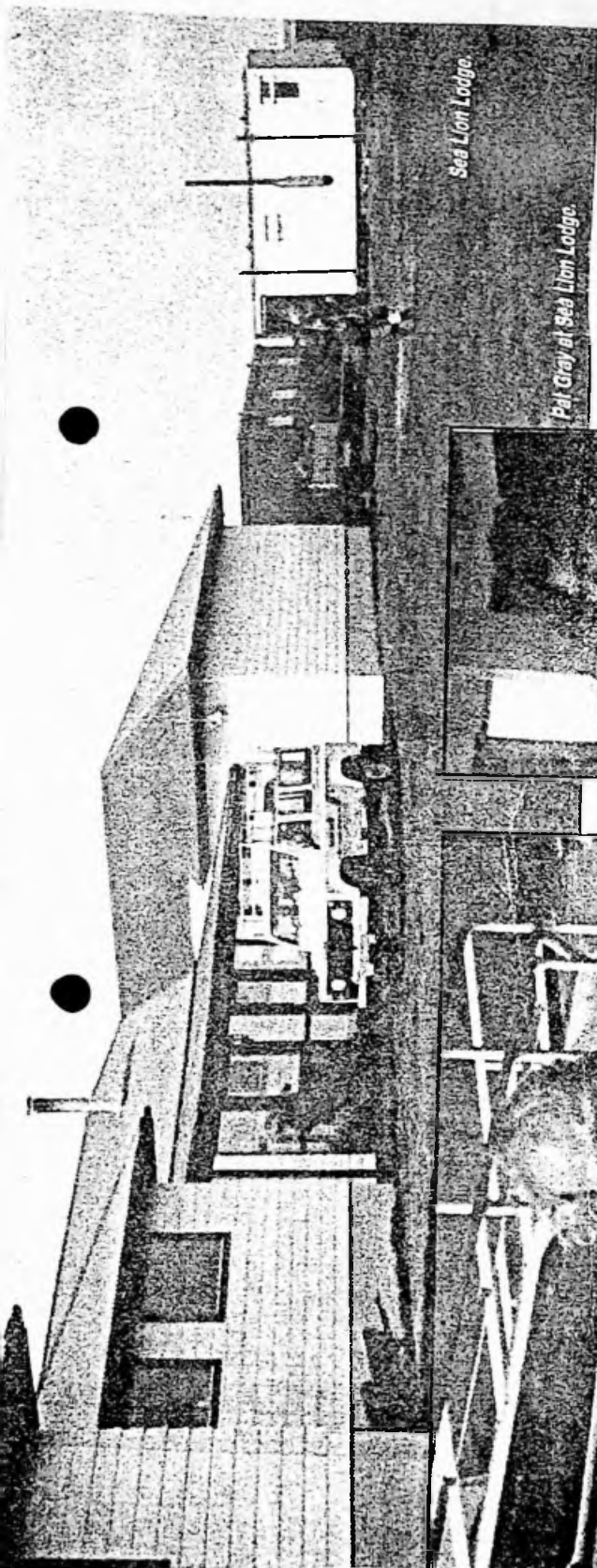
"Then, after the bombing by the British, the Argentinians ringed our houses and we were all taken out and shut in the Community Centre for four weeks. There were a hundred and fourteen of us, men, women and children of all ages, cramped into one small place. The children couldn't go out to play and we slept on bare boards. They did let the storekeeper out to get food — cream crackers, tinned meat — and we lived on things like that with no cooking at all for a month until the liberation. I'd never been that close to a battle before. It was horrific."

The islanders feel that the British people have forgotten all about them, and have done enough to help them.

"We are very grateful for what they've done," David said, "but we'd like them to know what life is like out here and what we have, which I think is real freedom. When you get back and think about your visit, we hope you'll feel this sense of peace that we feel the islands have." ■

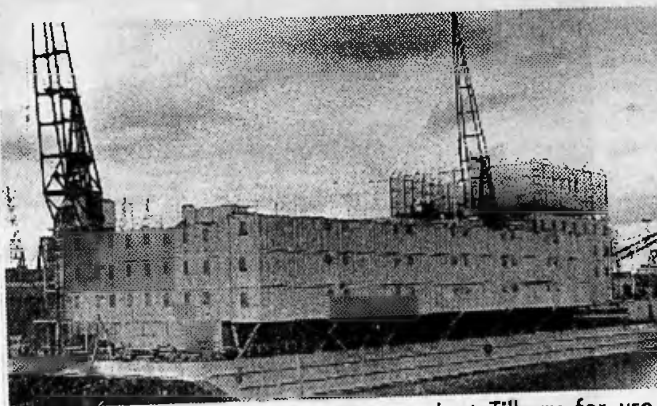


Annabel August 1987



The Gray Family

## Falkland barracks ship to be New York prison



The Bibby Venture, being converted at Tilbury for use as a prison ship to be based in New York harbour.

By John Petty  
Transport Correspondent

THE WORLD'S most unwelcoming passenger ship went on view at Tilbury yesterday, flying the British flag but converted by Liverpool-based Bibby Line into a floating prison for New York.

The Home Office is looking with interest at the project as it considers the need for more prison accommodation in Britain.

Bullet-proof glass windows covered by steel bars replace normal portholes in the grim, grey, slab-sided Bibby Venture, with cells for 396 detainees.

It is built like a series of containers welded together in stacks four high and eight across. Steel lattice catwalks and metal ladders connect the decks and the various stacks.

Warders will be able to watch prisoners through observation panels.

Holding pens with steel-barred gates will cage detainees as they arrive from courts and wait to be processed and fingerprinted. Electronically-operated

doors will lead into the main prison section.

In the mess, up to 48 prisoners at a time will be allowed 20 minutes for meals.

On the top of the ship is an exercise court bounded by high steel-mesh fencing and barbed wire. The ship will have telephones for prisoners' use, with calls free within the New York area.

One complaint in America is that Mafia bosses can continue to run their rackets by phone while in jail. But the right for prisoners to use the telephone is built into the American penal code.

The Bibby Venture is to be chartered to the New York City Department of Corrections in a contract worth \$20 million (£12 million).

Bibby went into the operation of ships as floating hotels, barracks, offices and offshore-oil-field accommodation units six years ago. The Bibby Venture was originally designed, with two other ships, to act as barracks off the Falkland Islands.

She has been rebuilt at Tilbury by a team of 200 men and on Monday will leave for New York.

## Servicemen kicked penguins in a Falkland minefield

By Patrick Watts in Port Stanley

TWO BRITISH Servicemen have been sentenced to periods of detention after they deliberately walked into a marked minefield in the Falklands and chased and kicked penguins.

Major General Neil Carlier, Commander British Forces Falkland Islands, who ordered an investigation after the incident on Sept 12, said: "Behaviour of this nature will not be tolerated, hence the severe sentence."

Mr Brian Summers, a major in the Falklands equivalent of the Territorial Army, said he was visiting an area known as Penguin Walk when he came across a "group of people in military garb jumping about inside the minefield, chasing and kicking penguins."

"I couldn't believe what I was seeing — Servicemen running around inside a marked minefield," he said.

The area, like many other minefields on the islands, is surrounded by a barbed wire fence and clearly marked with red triangles showing skull and crossbones and the word "mines".

### Careers over

Mr Summers said that after confronting the group, who initially maintained they were civilians, they "ran off and jumped into a military truck which took off at great speed".

Military Police inquiries resulted in two Servicemen — one from the Army and one from the RAF — being identified. They were charged and found guilty under various sections of the Army and Air Force Acts and received summary discipline.

Although individual details have not been released, it is understood that one man is being sent back to Britain to serve out his sentence, which

could range from seven to 28 days without pay. The other man will serve his detention in the Falklands.

A military spokesman said: "These days it is not normal to put people inside. So in military terms, this is a severe penalty. Their careers are effectively over."

The penguin kicking aspect of the incident has resulted in considerable local anger, and there have been calls for the pair to be tried in a civilian court. However, the maximum fine under the islands' antiquated law is only £20.

One senior military official said: "It was a miracle that none of the group stepped on an anti-personnel mine, which we know were laid by the Argentinians in that area."

Two Army majors who stepped on unmarked mines shortly after the end of the 1982 conflict each lost a foot. Since then, strict warnings to keep out of minefields have been issued to Servicemen and civilians arriving in the islands.

### Relations strained

Adela Gooch, Defence Staff, writes: A Ministry of Defence spokesman yesterday described the incident as "most regrettable".

The attack has outraged animal-loving Falklanders and will do nothing to improve relations between the islanders and the Servicemen, which have been strained in the past.

At one stage, the Army issued an order that Servicemen were to drop their habit of referring to the Falklanders as "Bennies" after the simple character in the TV soap opera, Crossroads.

### Floating jails

Newport, Rhode Island (AP)  
— A barge that saw action in the Falkland Islands War and an old Staten Island ferry boat will soon have new lives as permanently docked prison dormitories to help New York City relieve its overcrowded jails.

## Revolt shows discontent still seething in Argentine army

A REVOLT by the Third Infantry Regiment on the outskirts of Buenos Aires was brought under control in the small hours of yesterday morning after Argentina's army chief of staff, General Dante Caridi, visited the regiment.

Despite the confident assurances of the General, however, and attempts by the government to play the incident down, there is growing evidence that the army discontent that spilled over in the Easter rebellion is still not under the control either of the government or the army high command.

The latest incident began on Sunday night when 150 junior officers at the base locked themselves in their barracks to protest against the dismissal of their commanding officer, Lieutenant-Colonel Dario Fernandez Maguer.

The colonel was one of the officers who refused to send troops to suppress last Easter's rebellion. On Friday, he was notified that he was being sent, 15 months early, to an undisclosed post.

The transfer was interpreted at the base as punishment for his for

From Judith Evans  
in Buenos Aires

the Easter rebellion. The officers claimed on Sunday that such a punishment violated "assurances given by President Raúl Alfonsín" that only Lieutenant-Colonel Aldo Rico, the leader of the Easter rebellion, would be punished.

Col Rico is in custody pending prosecution on charges of rebellion and, last Friday, was denied bail.

It was the second sign of military unrest within a few days. Last Friday, troops at an ammunition dump staged an unannounced military exercise and threatened police and firemen who had rushed to the scene.

The latest incident is just one of several indications that General Caridi, who was given his post in the shake-up that followed the Easter rebellion, is losing control over the lower ranks of the army.

For more than two weeks, a 32-minute videotape entitled "Operation Dignity" has been circulat-

ing in military installations. It was made in consultation with the Easter rebels and aims to defend and justify their actions.

It has even been shown on one local television station, in the provincial city of Mercedes, and uses Col Rico's rejection of human rights trials for military officers as part of the soundtrack.

In spite of its strong condemnation of the army high command, whom the junior officers accuse of betrayal, General Caridi has not been able to prevent the video's distribution. Col Rico's supporters this month also disrupted two official army ceremonies by parading in noisy car caravans shouting "long live Rico, the fatherland and the armed forces".

The officers of the Third Regiment stressed this weekend that they did not seek to threaten President Alfonsín's government. But this campaign of humiliation against General Caridi is, according to a member of the "parallel army", designed to show the general's lack of command and to highlight the government's failure to resolve military problems.

## UK fish fleet in Falklands still increasing

By a Staff Reporter

THE renaming in Hull yesterday of a renovated trawler for SWB Fishing marks another stage in the build-up of a significant British fishing fleet in the Falkland Islands.

The *Arctic Freebooter* was renamed *Lord Shackleton* at Albert Dock and will become the first UK trawler to fish Falklands waters.

SWB is part of Boyd Line, one of two British companies aiming to become more heavily involved in the South Atlantic.

The other, J. Marr, chartered ten Japanese vessels last year and increased this to 39 in 1987, including ten Taiwanese ships.

The Marr Falklands company also broke a Soviet-Scandinavian monopoly by transporting 66,000 tons of squid to Japan in collaboration with Fleet Services Ltd.

SWB has also operated a similar sort of operation with chartered tonnage this year.

There are now industry plans through the Falkland Islands government to order a fleet of British trawlers which would give the port of Hull a major boost with refit and modernisation work.

Already the work undertaken on *Lord Shackleton* has created 142 permanent jobs in the east coast port.

As its contribution to year-round fishing, Marr in collaboration with the Falkland Islands Development Corporation has bought the *Vesttraal*, a Falklands war veteran, for trawling.



### **Fleet first**

The first British trawler to be converted for the fishing boom in the Falklands was renamed the Lord Shackleton, in tribute to his advising the Government to declare a fishing zone, and will sail next month.

**Talks or notes?**

London — The Argentine news agency, Dyn, reported yesterday that British and Argentine diplomats were to meet in New York next month for talks on the renewal of diplomatic relations. A British Foreign Office official said he had no knowledge of such a proposal, although Britain and Argentina had been involved for some time in an indirect exchange of notes aimed at avoiding incidents in the Falkland Islands Fisheries Protection Zone.

**Banks closed**

Buenos Aires (AP) — The Argentine Central Bank has closed six banks because of serious financial problems, in the biggest action by the banking authorities since President Alfonsín was elected in 1983.

# Alfonsin keeps his options open

NOW THE dust has settled following Argentina's mid-term elections two weeks ago, the Government's road ahead appears fraught with difficulties. President Raul Alfonsin appears to have decided to press ahead with essentially the same policies that forced his Radical Party to rule as a minority government.

The climax of the Peronist victory over the Government turned into an anti-climax of impatience as Mr Alfonsin delayed announcement of his reshuffled cabinet for ten days, and in the wait for the Peronists to give some clear indica-

**The Peronists are an unknown quantity. They can exert power but avoid the costs of policy failures**

tion of how they intended to exploit their newly-won electoral advantage.

The first clear message came from Mr Antonio Cafiero, the Peronist leader. A few days after his party's victory he said: "We intend to enable the Government to govern. In the case of a national emergency we will give the Government the laws it needs. But the place for any agreements will be in the Congress. We do not intend to share power."

Alliances will therefore have to be pieced together on a case-by-case basis, if the Government wishes to introduce any legislation in its remaining two years of office.

Mr Alfonsin was left with essentially two options in restructuring his cabinet; either to abandon his existing economic policy in the hope of placating his Peronist opposition, or to harden the policy with an aim of possibly negotiating further down the road. He chose the latter.

The new cabinet has fortified the positions of both Mr Juan Sourouille, the economy minister, and Mr Dante Caputo, the foreign minister. The latter has emerged as the clearest and strongest voice of all within the cabinet and has reportedly exerted a strong influence in the reshuffle.

Mr Sourouille has a freer hand with his anti-inflation and controversial incomes policy, with the removal of Mr Carlos Alderete as labour minister. The latter is a Peronist trade unionist whose appointment was masterminded by Mr Enrique



Election high spot: A Socialist campaigner takes to stilts to rise above the fray

Nosiglia, a young Radical Party militant who controls the party apparatus in the capital. His inclusion of Mr Alderete was aimed at dividing the Peronist opposition in the lead-up to the elections.

Despite widespread criticism within the party for his "useless alliances," as one senator termed them last week, Mr Nosiglia has now been appointed to head the interior ministry. From there he will continue to plumb the opposition for weaknesses and to enable government-sponsored legislation to survive through Congress. As the minister now in charge of the intelligence services, his appointment has inevitably provoked some alarm.

Meanwhile, two important policy issues have changed as a result of the elections. Mr Alfonsin's cherished constitu-

tional reform (which would require a two-thirds majority in congress) has been postponed indefinitely. The foreign debt issue has been placed in the hands of Mr Sourouille and Mr Caputo, who will press for a freeze of debt interest rates.

How much of this is rhetoric for domestic consumption will be evident when Argentina's negotiators arrive in the US this week. They do not have a great deal of room for manoeuvre. Foreign exchange reserves have fallen considerably over the past year and at the end of August stood at \$4.3bn, according to the central bank spokesman. Unofficial estimates of liquid reserves are in the region of \$800m, sufficient only for two months' imports.

If the banks are unreceptive the issue may then be taken to Congress to obtain a political

consensus on how to continue negotiations with the country's creditors. The Peronists have already stated that they wish to have a congressional debate on the foreign debt.

The Peronists, however, are still an unknown quantity. From their free position on the opposition benches they can exert power over the government but avoid the political costs of policy failures.

It is for this reason that some prominent Radical Party figures are already talking of a "transitional" cabinet. The delay in naming the new one was apparently due not only to inter-

### **Unions have wasted no time in demanding immediate changes in economic policy and wage increases**

nal conflicts, especially over economic policy and Mr Nosiglia, but also to the refusal of anyone to take the thankless post at the labour ministry.

The labour minister will be obliged to bear the brunt of trade union opposition to the Government's economic policy of wage controls. Mr Tonelli, the person who finally accepted the task, said immediately that he intended to pursue income policies within guidelines laid down by the economy minister, Mr Juan Sourouille.

Unlike his predecessor, Mr Tonelli will therefore avoid the futile cabinet battles of the past six months when contradictory statements on incomes policy emerged almost daily from one of the two ministries.

The confrontation will once again return to where it was six months ago, between the Government and the trade unions in strike action organised by Mr Saul Ubaldini, the secretary general of the powerful General Confederation of Labour. Mr Ubaldini has wasted no time in demanding immediate changes in economic policy following the elections, and "urgent" wage increases for the lowest paid.

Having spent the weekend briefing his new cabinet, President Alfonsín said this week that "social agreements" with the unions and Peronists are "essential" in the coming months. Few doubt his sincerity or conviction, but having chosen to press ahead with a policy already rejected by both, it is unclear where any common ground remains.

# FALKLANDS ROLE FOR 'JUNELLA'



HMS *Junella*, her white superstructure camouflaged, pictured on her way back from the Falkland Islands in 1982. Now, as *Vestraal*, she has been bought from her Norwegian owners by the Anglo/Falklands company Stanmarr to return to the Falklands as a fishing trawler.

THE freezer trawler *Junella* is being put back into fishing by her new owners who will equip her to exploit the abundant blue whiting stocks around the Falkland Islands.

The Anglo-Falklands fishing company Stanmarr Ltd., jointly owned by Marr (Falklands) Ltd. and the Falkland Islands Development Corporation, has bought the Norwegian-owned *Vestraal* — formerly *Junella*.

The British-built stern trawler was originally built for Marr and served as HMS *Junella* in the Falklands war before being sold to Greenland.

She was then bought by Norwegian owners who fitted her for scallop and blue whiting fishing. Now Stanmarr will install squid, hake and blue whiting

processing equipment as well as increasing the freezing capacity of the ship ready for the Falklands' 1988 season.

Marr (Falklands) Ltd. invested in the Falklands squid fishery this year — the first year the islands have operated a licensing scheme — and the latest venture is to further demonstrate its commitment to the Falklands fishery.

The company will be applying for licences for the 1988 season and hopes to secure a minimum of 39 — the total it received this year.

A spokesman for the firm said this year's licences included joint ventures with

both Taiwanese and Japanese companies and it is hoped that Marr's investment in the fisheries will pay off with more licences for the next season.

The spokesman said of *Junella*: 'This is a demonstration of our confidence and

commitment to the Falkland Islands fishery and an important step forward in the development of an island-based South Atlantic fishing industry using multi-purpose vessels to operate throughout the year.'

*Vestraal* became available

at an opportune time for Marr and her extensive fish processing lines will save considerable time in preparation for her new venture. Her introduction is the first stage of Stanmarr's investment pro-

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Fishing News  
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## Falklands role

From page one

gramme which will lead to the building and commissioning of multi-purpose fishing vessels specifically designed for South Atlantic operation.

She has holding tanks for blue whiting and hake which are then fed to three processing lines on the factory deck. These lines will produce headed and gutted fish or skinless fillets, either whole or minced. In all cases the product will be frozen in horizontal plate freezers.

*Vesttraal* has Swedish VMK filleting machines like those on board the Faroese vessel *Andrias i Havannasundi*, recently featured in *Fishing News* (September 11). The skipper of the Faroese vessel, Mortan Johannesen, installed a final cutting attachment to his VMK machines to enable him to process blue whiting blocks at sea.

After returning to the UK for further modifications *Vesttraal* will sail to the Falklands later this year. Her crew will include Marr fishermen trained on board Far Eastern joint venture vessels during the last two seasons.

● Marr (Falklands) Ltd. has appointed a new chief executive to head its operations in

the Falklands. Andrew How joined BUT in Hull in 1972 and was involved with the initial development of the winter mackerel fishery before moving to Australia in 1977.

He later moved to the tropics as manager of a major prawn fishing company and then on to New Zealand as operations manager of Sealord Products.

● Fishing licences for the 1988 Falklands season can be applied for in early October. Three types of licence to fish during the season to June 30 will be available.

These include a licence to fish throughout the zone, a licence to fish the northern sector of the zone or a licence to fish the southern sector.

The Falkland Islands government is considering granting licences for trawlers valid for a 12 month period starting on February 1 1988.

Alastair Cameron of the Falkland Islands Office in London said this is to encourage a year round fishery in the region.

Mr. Cameron is leaving FIG this week to begin a new life in his native Falklands. He will be replaced by Lewis Clifton — also from the islands.

## FRIDAY PEOPLE



Cameron: "Everything has changed"

### Golden fleece of Falklands

WHEN Alastair Cameron took over as the Falklands representative in London three years ago, the islands' economy had the momentum of drifting kelp. As he leaves the job today, the place is so awash with promissory notes that soothsayers predict the development problems of a Gulf state.

Cameron, aged 35, fights shy of any personal credit for this sea change, theocratically content to push some kudos in the direction of the Foreign Office.

But, as the eyes, ears and mouthpiece of the Falklands councillors, he has shouldered a formidable workload, with the help of his sister, Sukey, secretary to the Falkland-Islands Government Office near Millbank.

He kept up the pressure on the FO for a fishing zone, source of the huge licence fees now materialising. A notable coup was to edge Spain and Portugal into the licence net. By presenting a modern, intelligent face of the Falklands, seen by some as a hotbed of sheep-shearing recidivism, he found the Civil Service's wavelength.

When the Argentines invaded in 1982, Cameron was in West Germany, dabbling in building restoration and art history. Having studied fine art and history at East Anglia, he had no intention of working in the Falklands, where his father had sold the large family farm at Port San Carlos some years before and retired to England.

"The Falklands were on a slippery slope, with an uncertain future," he says. "The place and the possibilities were small. Now everything has changed."

He heard the invasion rumours on Radio 2 in Cologne. "The shock was such that one wanted to be with other people. I packed my bag and thought I would be in London for a week."

He joined the band of volunteers who manned a small office during the conflict. "Few of us had any experience of dealing with the press. Suddenly we had people turning up and paying us money to plead our cause on radio and television, which we did in a very naive way. We needed all the money we could to keep the office going. Most of use were unpaid."

He is about to set off on a holiday to St Helena before seeking a government job in Port Stanley. His successor is Lewis Clifton, manager of the Philatelic Bureau in Stanley, who is expected to move the London office to larger premises.

Cameron says that the islanders' abiding distrust of the British Government is tempered by a dramatic decline in uncertainty. What of the FO's attitude? "If you are a continual problem, you are going to be bad news. If you are a success then people want to be identified with you."

## A painful reminder of Argentina's evil past

Dear Sir,

The story of Señor Juan Gelman seems to me a painful example of the paradoxes in Argentina today.

His present personal situation is the first paradox. He had to leave Argentina for exile in April 1975, under Isabel Peron's government, after receiving a number of menaces of death by *la triple A* (Argentina Anti-Communist Alliance), a para-political force created by the fascist sector of the Peronist movement to eliminate the revolutionary sector of the same movement. He belonged to the latter. His exile continued under the military dictatorship (1976-83): an *orden de captura y desaparicion* (warrant and disappearance equivalent to death) was issued by the 601 Intelligence Battalion of the army. His exile still continues under the civil government of Doctor Alfonsín.

In August 1976 his son and his son's wife (aged 20 and 19) were abducted in Buenos Aires by a military group. His daughter-in-law was pregnant. He had no further news of them, but he is sure from survivors of the military concentration camp that both were killed and that his grandson (or granddaughter) was born in the camp. In February 1978 the Vatican informed him without further details that the child was alive. Children born from prisoners in concentration camps were given to childless couples of military or police members whose names were on a waiting list. Once the child was born, the mother was killed and the baby given away. His grandchild should be 10 years old now.

One had hoped that Argentina's evil past was buried, but in May 1984 Señor Gelman's friends in Buenos Aires advised him not to come home to seek his grandchild: they had confidential information concerning a prospective legal action due to his having belonged to the revolutionary Peronist sector. This information became official only in March this year, when the Federal Police Headquarters told his lawyer that a judge, Dr Miguel Guillermo Pons, had initiated in 1985 a procedure against him for "unlawful association" according to the article 210 of the Criminal Code, had then issued a warrant against him (within the national borders) in June 1985, and in February 1986 declared his "contumacy" because he had not appeared before the court, though it was impossible for him to do so, as he had no official information about the process until March this year.

The Judge Pons belongs to the very large majority of the present judiciary that was appointed by the military dictatorship and confirmed by the democratic government of Doctor Alfonsín. The allegation against Señor Gelman was based on his brief membership in 1977 of the *Movimiento Peronista Montonero* (MPM). The MPM was born as an anti-dictatorial organisation with the aim of concentrating on the political and social fields. When it slipped towards violent action a group of MPM leaders and members, including Señor Gelman, left the organisation as from knowledge of conditions in Argentina they felt there was no room for mili-

tary guerrilla actions, but only for such political resistance so courageously initiated by the *madres de Plaza de Mayo*.

After the split, they denounced publicly the mistaken militarist policy of the MPM and were condemned to death (in exile) by their former comrades, so Señor Gelman had managed to accumulate two death sentences.

In 1983, before the coming into power of Doctor Alfonsín, the MPM decided on self-dissolution. Although it was an organisation that only existed under the military dictatorship, legal actions were initiated against their leaders and even those who had left the MPM five years before, so Señor Gelman is involved in the same suit as the Montoneros who had condemned him to death. At the same time the democratic government has enacted a so-called *Ley del punto final*, which amnesties hundreds of members of the army — murderers and torturers — who have been identified by the victims who survived and the families of those dead. Señor Gelman writes to me: "I have sleepless nights thinking that the killers of my children are walking freely in my city, whereas I am banned to do so. I must return to Argentina and I must return in freedom to enquire about the whereabouts of my grandchild and to know the fate of my son and daughter-in-law and put an end to this inexpressible nightmare of their 'disappearance'".

Yours truly  
GRAHAM GREENE  
Antibes  
17 September

## Hope on Falklands

Britain and Argentina appear to be investing more hope in indirect contacts on the Falklands through the US State Department than had been thought (Our Diplomatic Correspondent writes). Mr George Foulkes, opposition spokesman on foreign affairs, yesterday reported to Mr Timothy Eggar, Under-Secretary of State at the Foreign Office, on recent meetings with senior officials and a junior minister at the Argentinian foreign ministry.

"There is a better chance of progress than there has been. There is a bunch of olive branches", he said. His optimistic assessment was not contradicted by Whitehall sources.



Sir Rex Hunt, the former Governor of the Falklands, who is honorary Air Commodore of 2729 (City of Lincoln) Squadron Royal Auxiliary Air Force Regiment, mans a captured Argentine anti-aircraft gun used by the squadron during an exercise in Germany.

## UK aims to avoid Falkland tension

From Jeremy Morgan  
in Buenos Aires

Britain has sent Argentina proposals aimed at avoiding tension in the South Atlantic and is awaiting a reply from President Raul Alfonsin's Government.

Few details of the British move, disclosed in a newspaper here, have emerged yet. Diplomatic observers say it was submitted in August in a "non-paper," or informal document, transmitted through the United States Government.

The British proposals were the latest step in a continuing "exchange of ideas" established through third parties after Britain declared its fishing protection zone around the Falkland Islands in October. It is thought to be the second time Britain and Argentina have discreetly and indirectly swapped ideas since then.

The Argentine Foreign Minister, Mr Dante Caputo, is said to have outlined his thinking on averting tension in a similar document despatched via the US to London last May.

The minister is also said to have raised the idea with US officials of recruiting a third country or international organisation to act as "witness" to any bilateral efforts to reduce risks in the South Atlantic. The most obvious candidate, the US, has consistently stressed its unwillingness to mediate between Argentina and Britain.

The British proposals focus on plans to co-ordinate the two countries' fisheries protection and policing policies and London stressed that this had no bearing on the sovereignty issue.

The timing of disclosure by the Argentines of the British document has caused some comment here. It has been revealed in an apparent attempt to create the image that progress is being made on the thorny Falklands issue ahead of the United Nations debate on the dispute.

The document was leaked as Mr Caputo left Buenos Aires for New York, where he was expected to hold talks with senior US official, EEC representatives, and the Secretary General of the UN, Mr Javier Perez de Cuellar. Talks with the UN official were expected to explore ways of reaching an understanding with Britain on the Falklands.

The British proposal is seen here as a sign that both sides are moving towards a direct dialogue, although this has always been urged by Britain as long as sovereignty was excluded.



**The other side**

Leeds — The British television documentary, *The Falklands War: The Untold Story*, has been bought for full transmission throughout Argentina, Yorkshire Television announced.

# Guernsey parishes – in Falklands

by Tim Earl

THE sheltered housing for elderly Falkland Islanders, built as part of a new hospital in Stanley with a £100,000 grant from Guernsey, will be named after the 10 island parishes and the local sailor killed in the 1982 conflict.

All but one of the new units are now occupied by elderly people following the hand-over of the new hospital.

Chief medical officer for the joint civilian and military hospital Derek Murphy says that the whole unit looks superb and that the sheltered accommodation is 'absolutely first-class'.

He says that the four double and seven single units of accommodation will be named after Guernsey's 10 parishes and sailor Peter Brouard who was killed while serving in HMS Ardent during the conflict with Argentina.

He was the only Guernseyman killed in the conflict and was serving with 815 Naval Air Squadron as a member of the ship's flight.

Petty Officer Brouard died as the Ardent provided protection to the landing forces which liberated the Falkland Islands.

Dr Murphy says that the suggestion for naming the units came in a letter from the Bailiff, Sir Charles Frossard.

Falklands governor Gordon Jewkes is adamant that the official opening will not take place until Sir Charles is available to attend.

It is also hoped that Sir Jack Hayward, who gave £1m. towards the accommodation, will attend.

The units have been allocated to Falkland Islanders by a special committee of which Dr Murphy is chairman. All but one double are now occupied.

Two sisters, one of whom lived in Stanley, the other in 'camp' – the islanders' name for the outback – have taken a double unit.



The new sheltered accommodation units attached to the Falkland Islands new hospital which will be named after Guernsey's 10 parishes and Petty Officer Peter Brouard who was killed in the conflict.

They are together again for the latter years of their lives because of the sheltered accommodation. Dr Murphy said.

Each unit is self-contained with many electric appliances and is heated by the main hospital system.

As electricity is expensive the residents are given help with the bills if they cannot afford it.

The housing units are built on a flat piece of land on the warmer north side of the hospital with a short level road to Stanley's post office, stores and bank.

Because of the fishing licences issued last year the island's economy is booming and the demand for accommodation in Stanley is considerable.

Traditionally Falkland Is-

landers who live outside Stanley retire to the capital taking flats or government accommodation.

The sheltered accommodation will liberate several of the flats in Stanley allowing more islanders to come in from the camp, Dr Murphy said.

Stanley had a hospital for civilians at one end and the military at the other. The new hospital will do the job of both of them.

It can take 25 patients with considerable room for expansion if needed suddenly, he said. There are also two maternity beds.

Problems with the ventilation system for the operating theatre held up the hand-over of the new hospital, and with it the sheltered accommodation.

But in July the equipment 'suddenly came right' and the first patients were accepted in the middle of last month.

Dr Murphy's committee already had their list of elderly people to move into Guernsey's wing and all but one unit is now taken.

There are 18 patients in the hospital at the moment. Some of them are elderly people who cannot look after themselves, even in sheltered accommodation.

The hospital will also have a geriatric day-centre for people living in Stanley, Dr Murphy says.

APPOINTMENTS

## Abaco Investments names director

Abaco Investments: Mr Roger Morgan joins the board.

Dunlop-Beaufort: Mr Jon Wilson becomes managing director.

Marsh & McLennan Companies: Mr Lawrence Lasser joins the board.

National Westminster Bank: Dr David Smith is made a director of the Western Advisory board and Mr Dennis Burrell a director of the outer London regional board.

Greyhound Guaranty: Mr Paul Gottlieb is made chairman and Mr Richard Welch joins the board.

Hunting Gate Developments: Mr Ken Grundy becomes deputy managing director. Mr Andrew Clayton and Mr Jeremy Needs join the board.

Pims: Mr Mike Geach has

been appointed vice-president for the East Coast, US.

International Partnership: Mr Jeff Yeung becomes financial director.

Tower Hill Services: Mr AR Taylor, Mr CM Keeling, Mr JW Ramplin, Mr PD Evans, Mr RL Barclay, Mr IG Daish, Mr KJ Earthrowl and Mr JP Watson join the board.

National Joint Council for the Engineering Construction Industry: Sir Pat Lowry becomes chairman.

Continental Aktiengesellschaft: Herr Horst Urban becomes chairman; Herr Wilhelm Borgmann vice-chairman; Herr Wilhelm Schafer chairman. Semperit Reifen; Herr Gunter Sieber and Herr Wilhelm Winterstein join the board.

Broomheads: Mr Alan



Jon Wilson: new managing director at Dunlop-Beaufort

Stanley becomes chief executive.

RJR Nabisco: Mr Charles Hugel becomes non-executive chairman.

MGA Developments: Mr Jan-Erik Jansson is made operations director.

Marr (Falklands): Mr Andrew How becomes chief executive.

Alexanders Rouse: Mr Alano Regueiro becomes director, capital markets division.

NEC Business Systems (Europe): Mr Toshi Yamafuji becomes assistant managing director.

Land Rover: Mr John Sellers is made finance director.

BET Plant Services: Mr Ray Ledger joins the board.

Ocean Mackenzie: Mr William Hogg and Mr David Jones become directors.

British Cotton Growing Association: Mr James Turnbull joins as divisional director.

Coca-Cola & Schweppes Beverages: Mr Robert Donkersley is made a director.

## Alfonsín delays charter reform

Buenos Aires — President Alfonsín has decided to postpone plans to reform the Argentine Constitution until a broad national consensus can be achieved on the issue (Eduardo Cúe writes).

At the same time, however, Señor Alfonsín said he will go ahead with his controversial plan to transfer the national capital from Buenos Aires to Viedma in the desolate Patagonian region in the south.

Señor Alfonsín made the announcements at the start of a weekend meeting with his newly named eight-member Cabinet, in which he replaced the controversial Peronist Labour Minister, Señor Carlos Alderette. Señor Alderette will be succeeded by Señor Ideler Tonelli, who had served as Justice Minister in the previous Cabinet. The President confirmed the Economics Minister, Señor Juan Sourrouille; the Foreign Affairs Minister, Señor Dante Caputo; and the Defence Minister, Señor Horacio Jaunarena, in their present posts. Señor Enrique Nosiglia, a top Alfonsín aide, will be the new Interior Minister, replacing Señor Antonio Tróccoli.

## Everyone's got debt fatigue

**B**razil, which is expected to hold some initial discussions with bankers in Washington later this week, is likely to prove the centre of interest on the debt front at the annual meetings of the International Monetary Fund and the World Bank. It is doubtful that anything very concrete will emerge. But the thinking of both bankers and debtor countries on a number of important issues should become rather clearer over the next couple of weeks.

There have been determined and fairly aggressive noises emerging from Brazil over forthcoming debt negotiations, even after a brisk rebuff by the US Treasury. Argentina, where President Raul Alfonsin recently suffered damaging losses in a round of internal elections, has been making belligerent statements: it warned this week that it would not in future accept overly-restrictive IMF conditions and would be looking for a freezing of interest rates on its external debt.

Meanwhile another indication of the intransigence of the debt problem emerged from Yugoslavia where the Prime Minister has suggested that the country will be looking for a three-year moratorium on debt repayments to give the economy further breathing space; a reminder that the debt crisis first erupted in Eastern Europe, even before Mexico's troubles.

For some time now economists, central bankers and government officials have been sounding warnings about the creeping debt fatigue which has been making it steadily more difficult to put together traditional financing packages for debtor countries.

Frustration with the orthodox approach is becoming increasingly evident. This is borne out not only by the recent tub-thumping from Argentina, which bankers interpret as a signal that come 1988 Argentina will be pressing for something more radical, but also by the kind of demands which Brazil is now making — for instance its proposals for securitising half of its \$68bn commercial bank debt.

Nor is the frustration with traditional methods only evident on the part of the debtor countries. It is evident also among the commercial banks, both in relation to the overall debt strategy and the details of the approach.

For instance one idea being floated to make it easier to encourage fair burden-sharing among banks in financing packages, is for debtor countries to refuse to pay interest to banks which refuse to put up new money. Despite the legal problems this could raise with loan agreements, some bankers are quite sympathetic to the idea.

## Alfonsin drops plan for reform

From Jeremy Morgan  
in Buenos Aires

President Raul Alfonsin has abandoned his plan to reform Argentina's constitution, but apparently still hopes to press ahead with changes to the system of government and a plan to move the national capital to Patagonia.

In a televised speech at the weekend, President Alfonsin said he would not send a bill proposing constitutional change to Congress until the "consensus of a very ample majority" in favour of reform was "perfectly clear."

President Alfonsin has repeatedly denied he wants to run for a second term in 1989, a move which would be barred by the present constitution. But suspicion persists that, as the ruling Radical Party's biggest vote-winner, he could be prevailed upon to change his mind.

However, in a signal that he still wishes to create the image of a parliamentary system of government in Argentina — in contrast to the strongly presidential model in use at present — he announced that his ministers would appear before Congress every week to answer questions. In announcing his apparent abandonment of constitutional reform, he said: "I do not wish at this time to submit the Argentine people to new tensions." Even so, he still intends to move the capital.

The President said he wanted to transfer it to the twin cities of Viedma and Carmen de Patagones, 625 miles south of here, and denied that this would mean a significant drain on public funds. He defended his Government's record, although he admitted mistakes had been made.

While conceding that the voters blamed the Government for Argentina's economic difficulties, President Alfonsin argued that any economist would be hard pressed to adopt a different policy. Resources to meet public demand for better living standards were "very scarce."

Even so, he repeated an earlier attack on the International Monetary Fund's harsh austerity policies by saying it was not possible to continue with the "uncertainty" caused by them and that his Government would demand a ceiling on interest rates. The only way out of Argentina's problems was "an aggressive growth policy," he said, warning that an isolationist stance on the debt issue would prompt "reprisals which would be greater than the benefits."

The new Cabinet met over the weekend in what was seen as a sign of disagreement over how the forthcoming talks with the IMF should be approached.



# Press Cuttings

from Broad Street Associates

FINANCIAL TIMES

21 SEP 1987

**Mr Andrew How**, former operations manager of Sealord Products, New Zealand, has been appointed chief executive of MARR (FALKLANDS) of Hull. The company runs catching and marketing operations in Port Stanley, FI, and is in partnership with the Falkland Islands Development Corporation to develop a South Atlantic fishing industry.

# GUNNERS AND QUEENS SHARE PEACE AWARD



Sappers from 35 Engr Regt tear up the fabricated runway surface constructed at RAF Stanley

THE Wilkinson Sword of Peace Award 1986 for the Army's contribution to establishing good and friendly relations with the inhabitants of communities at home and overseas has been won by two units, writes **Graham Smith**.

Sharing the honour are 25 Engineer Regiment, RE for ridding Port Stanley of its Falklands war debris, and the 3rd Battalion, The Queen's Regiment for helping the Belize Defence Force operationally in its training and aid with natural disaster relief operations in Jamaica.

25 Engr Regt, reinforced by 518 Coy, RPC, served in the Falklands from November last year until March, with the principal task of recovering 7,000 tons of stores and equipment from the site of RAF Stanley after the opening of the Mount Pleasant Airfield. The objective was achieved in two months.

The regiment then turned its hand to clearing all the military scrap from the area of the old airfield and other areas around Stanley.

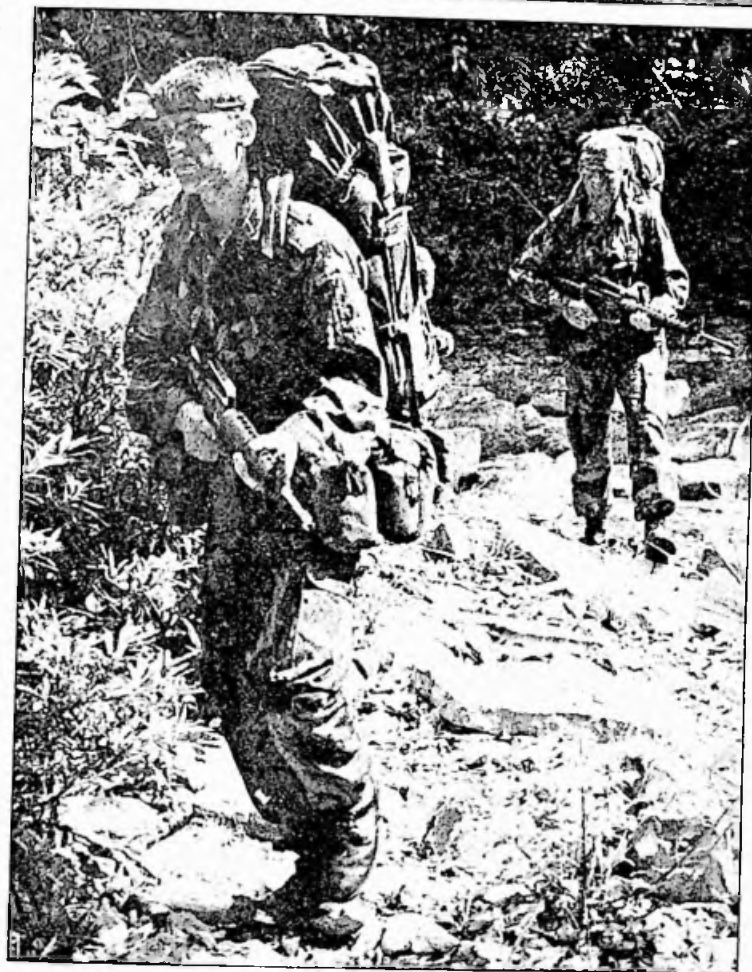
About 15kms of barbed wire was removed and dumped at sea. More than 100 derelict vehicles were buried while 150 lorry loads of rubbish were removed from Whalebone Cove.

From Stanley itself 500 loads of rubbish were shifted and many sites landscaped. Detached to South Georgia to build a jetty, A Troop also renovated the post office at King Edward Point.

3 Queens served in Belize from April until October last year.

Each company held an open day for the villagers and helped with projects such as church repairs, water pump installation and the rebuilding of clinics.

In addition to flood relief in the capital, the battalion was represented in a tri-Service



Queensmen from the 3rd Battalion on patrol in the jungles of Belize

disaster relief team sent to Jamaica.

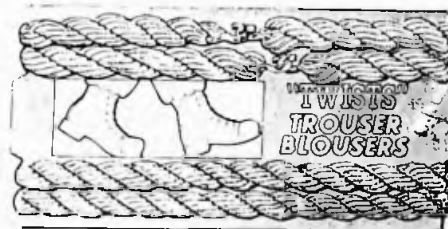
The citation says of the battalion: "It earned a well deserved reputation for its friendliness and co-operation with the local population and its efforts were always directed to achieve the best for the community as a whole."

"Much of its time was spent in patrolling, bringing the battalion into daily contact with the local population in isolated jungle villages. Soldiers provided basic

medical support for the inhabitants and were able to convey messages to others.

"The battalion generated a tremendous amount of goodwill and did much in maintaining good friendly relations with the inhabitants of Belize, including many recently arrived Guatemalans."

Lt Col Bob McGhie, CO of the 650-strong regiment said: "We are delighted and honoured to receive this very prestigious award. It really is a tangible award which all the soldiers, irrespective of rank, can share for their efforts in Belize. That is the nice thing about the Wilkinson Sword, it is an award which all can share rather than an award to an individual."



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RAF NEWS

18/9/87 - 1/10/87

## Pennies from Heaven for Falklands school



PASSENGERS leaving Mount Pleasant on the homeward bound TriStar flights have given a valuable cash boost to local school-children.

In common with many airports the departure lounge at Mount Pleasant has a box in which passengers are invited to deposit Falkland Islands currency which cannot be used in the UK. When Air Movements staff opened the box recently for the first time in two months they found that £64.28 had been collected.

The cash will be donated to

Stanley Junior School and can be used to help finance the building of a sandpit for the youngsters. Air movements staff in the Falklands have a long and happy association with the school which stretches back to the end of 1983. Over the years they have helped provide the children with various extras including climbing apparatus and a slide.

Our picture shows SACs Nigel Cameron (left) and John McGrath of the Air Movements Flight, Mount Pleasant counting the proceeds.

## Alfonsín keeps to unpopular course

PRESIDENT Alfonsín's new cabinet, announced late on Wednesday night, demonstrates the President's determination to stick to many unpopular policies, at least some of which were responsible for his party's humiliating electoral defeat on 6 September.

In the key area of economic policy, President Alfonsín has clearly stated that Argentina can expect more of the same with the confirmation in his post of one of his most criticised ministers, the Economy Minister, Juan Sourrouille and the naming of Ideler Tonelli as Minister of Labour.

Mr Tonelli replaces Carlos Alderete, a Peronist, who had openly clashed with the economy ministry over wage policies. Mr Tonelli, in contrast, said in his first public statement as Labour Minister, "I don't intend to confront the economy ministry."

Another heavily criticised minister, the Defence Minister, Horacio Jaunarena, also retained his post. Although Mr Jaunarena came under attack after the Easter rebellion of a group of junior army officers, he has been retained, it is believed, because the government thinks that continuity in the post is desirable, in view of continuing discontent in the armed forces and the possibility of further trouble from that direction.

The new cabinet has received a mixed reception. Overall it is seen as representing the president's

From Judith Evans  
in Buenos Aires

"inner circle" and many of its members have been criticised for lack of experience. One high-ranking government official remarked that the cabinet list was a reaction to the new balance of power following the Radical Party's electoral defeat and should not necessarily be viewed as a permanent list.

The business community greeted the new cabinet with a measure of relief, both because Mr Sourrouille has retained his post and because of the inclusion of a number of younger men who are known to be committed to the president's programme of structural reform and economic deregulation.

The continuity represented by Mr Sourrouille and the promise of increased dynamism in structural changes, has provided the business community with a welcome assurance that the electoral setback has unsettled the president's nerve to the point of revising or improvising economic policy.

But while this goes down well with businessmen, the government's central dilemma has been underlined by the elections — how to maintain its economic direction in the face of resentment of the electorate at continuing inflation and falling living standards.

## Endurance is refitted for Falklands

By Adela Gooch  
Defence Staff

THE ICE PATROL ship Endurance, whose withdrawal partly caused Argentina to invade the Falklands, is to be re-dedicated at Devonport dockyard today after a 15 month refit.

The 31-year-old ship, twice reprieved from the scrapyard, is expected to resume her South Atlantic role shortly.

The latest recent refit, costing of £18 million, should increase her operational life by 10 years.

### Falklands symbolism

Among the improvements have been a complete rewiring, and overhaul of the engine. Her flight deck has also been modified to take two Lynx helicopters, which carry a wide range of weapons.

The refit was ordered despite calls for the ship for the former Danish supply vessel to be replaced by a purpose-built vessel. While cost was a factor, so was Endurance's symbolism in the area.

Endurance was the guard ship for the Falklands in the run-up to the conflict.

A COMPANY operating a Spanish flag of convenience ship was fined a massive £11,000 by Plymouth magistrates last Friday.

London-registered Stamford Ltd. was fined £11,000 for breaching the ship law 'Lawrence' (1984) Act. The charges of 'unlawful' the master, Captain, and also the company's 21 crew members were fined £1,000 each.

The 21 crew members were found guilty of breaching the law on 15th August.

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## Demand strong in Hull

HULL, as a Grimsby agent remarked, "should have been dead and buried five years ago."

He was referring to the crisis faced by the port in the early eighties when, with its fleet all but gone and the Hull Fishing Vessel Owners' Association wound up, Hull faced a real threat of complete closure as a fishing port.

Today Hull is one of the strongest markets in the country, with a flourishing processing and merchanting sector, and attracts fish from throughout the UK, the continent and, most notably, Iceland.

It's fleet remains limited however to a handful of middle and distant water vessels owned by the only two companies to survive the crash of this sector in the seventies, J. Marr and Boyd Line.

Although these two companies are actively developing their fishing activities in the Falklands, it is unlikely that the fleet working from Hull will grow to any significant extent in the foreseeable future — although events at Grimsby, which is now at the crisis point faced by Hull in 1980, could result in the transfer of some vessels to Hull.

Hull is outside of the National Dock Labour Scheme which is at the root of Grimsby's present difficulties, and can therefore work more flexibly.



**A COMPANY** operating a Spanish flag of convenience ship was fined a massive £71,000 by Plymouth magistrates last Friday.

London - registered Charmbuy Ltd., and former Fleetwood skipper Lawrence Dollin, faced 16 charges of 'misusing' the trawler *Cachamuina*, and also had to pay £1,200 costs, writes **PHIL LOCKLEY**.

The 16 charges were heard from a dossier of 21 summons since February this year.

The Spanish fishing master, Senior Santos, admitted that he was in charge of all fishing activities, and that Skipper Dollin was there for navigation and to take the odd watch.

Both Skipper Dollin and Charmbuy Ltd. pleaded not guilty to four major illegal fishing charges, and said that four species for which they had no licence were caught in area VI, off Rockall.

After cross questioning however Skipper Dollin and Senior Santos admitted they had lied and that the fish were caught in area VII. They were fined £15,000 on each charge.

The pleaded guilty to a further 12 logbook charges on which they were fined a further £11,000.

In February the company and a different skipper had faced other charges relating to *Cachamuina*. On this occa-

# FINE ON FLAG SHIP



**MAFF District Inspector Colin George and his staff worked hard to get three cases to court.**

sion the court heard that the skipper was sacked by company boss Joe O'Connor, and re-employed hours later in a different company run by him.

In the last three weeks Plymouth magistrates have heard three separate cases against Spanish flagships and skippers who have flouted EEC regulations.

The first was *Sibon* (PZ743), when Skipper B. Woodhouse and Gadsound Ltd., also run by Joe

O'Connor, were fined £9,100 plus £1,000 costs.

As the latest cases were being heard the fishery protection ship HMS *Guernsey* escorted another alleged offender into Plymouth, *Boston Corsair*. She was alleged to have considerable quantities of hake on board, and two summons were served. The vessel has no hake licence for areas VI and VII.

Local fishermen and merchants expressed anger at the continuing flag of convenience loophole as the news of the latest cases spread through the south west.

When junior fisheries minister John Gummer last visited Brixham he asked for the fishermen's patience because changes in the law must stand the test of EEC courts, but patience is now wearing thin in the south west. A Plymouth merchant said: "Time's up minister; you promised us a solution to this problem in your election programme. Now where is it?"

His views were echoed by Daphne Lawry, secretary of the Cornish Fish Producers' Organisation, who said: "It is incomprehensible why, after five years of pushing this matter under the carpet, the

Turn to Page 43

## Fine on flag ship

From page 1

DTp and ministry cannot find a solution.

"Because of the actions of these flag of convenience boats we in the south-west are strangled by restrictions, hence the lack of fish.

"Many angry skippers have phoned me asking why on earth this county must tolerate such unethical practice. Personally I cannot see any problems for the authorities to stamp it out.

"We all know what a flag of convenience boat is and we

all know they are Spanish. We can even name them if necessary. There are no grey areas. So why can't this problem be ironed out? No other country in the EEC would allow their quota to be robbed in this way."

Fisheries minister John MacGregor said in July that new legislation on vessel registration to end flag of convenience operations would be brought in during the autumn, in the present Parliamentary session. (*Fishing News*, July 31).

# Humber firm fights back

THE acquisition of a European fish selling agency in Germany of J. Marr (Fishing) Ltd., (see page three) highlights the international solutions adopted by the remnants of the British deepsea fishing industry, seemingly in terminal decline at the beginning of the eighties, in their battle for survival.

Indeed, with new vessels building for the fishing and fish selling company and parent company J. Marr Ltd. and sister company Andrew Marr International Ltd. demonstrating a heavy commitment to the development of the Falklands-based South Atlantic fishery, it is no longer a question of survival for the Marr companies — more a speculation on how much faster the pace of growth will become.

Certainly the recovery of the fishing side has been dramatic and has happened in the space of just five years.

J. Marr (Fishing) director Charles Marr recalls that 1981 was the low point. In that year the eight surviving stern fresher trawlers in the Marr fleet, leading an increasingly nomadic existence in between periods of lay-up, were heavily in the red with virtually every trip a loser.

In 1982 the company made a reluctant departure from its roots by transferring its remaining Fleetwood trawlers to Hull. The resultant economies provided a welcome breathing space, but the real keys to recovery were already in hand.

Charles Marr identifies two crucial developments which put the company back on a growth course.

"First, we recognised the potential of other European markets, especially Germany. Secondly, and even more important, we were seeing

the emergence of a new generation of extremely capable young skippers with knowledge of homewater grounds as well as the inherited skills of distant waters," he told *Fishing News*.

With the restrictions imposed by the EEC quota regulations, marketing took on a new meaning. It was a question of supplying the markets where demand, and consequently prices, would be highest for whatever species could be caught.

Forays were made into several European markets and the company even hired French skippers to improve its knowledge of the Western grounds and hopefully, as a consequence, sell profitably into the French ports.

In the event, it was saviour into the German ports that provided Marr with the better grossings it needed.

Throughout 1983 a better mix of markets and voyages, with an increasing number of landings into Bremerhaven and Cuxhaven as well as Hull, Fleetwood and Aberdeen, saw the return of deep-sea fishing as a viable business for J. Marr and Son.

The year also saw the effective removal of the last of the freezer trawlers from the company's deepsea fleet. All four of the operational Marr freezer trawlers had been requisitioned for the Falklands task force in 1982 and, with diversions into scientific exploration and other work, did not get back into their stride as an operational fishing unit after their return.

This further polarisation of activities, removing another link in the vertically integrated chain of Marr operations, was a major contributor to the subsequent decision to demerge the family companies resulting in the amicable re-grouping last year into Andrew Marr International and J. Marr, with J. Marr (Fishing) becoming a major operating division of the latter in this year's resultant re-structuring.

The removal of the freezers left the small fresher fleet as a compact, specialised business which was able to take a further step forward in 1984 with a return to the north east Arctic grounds off the Norway coast.

Subsequently the company has been able to develop a seasonal fishing pattern embracing both quota and non-quota species and ranging from the Western Atlantic through the North Sea to the Norwegian and Barents Seas.

"Our new breed of skippers are not necessarily more able or more skilled than their predecessors but they certainly have a wider range of skills and knowledge," said Charles Marr.

"It takes four or five years to get to know fishing grounds and our present team have worked very hard to gain what must be an almost unique blend of knowledge of home waters, which now include what we always used to call middle waters, as well as distant water grounds.

"It is a fitting reward for

their efforts that we should be able to once again order new ships, and British built ships, on which they can really show their skills."

As reported earlier in *Fishing News* J. Marr (Fishing) has two new 38m. stern trawlers building at Cochranes of Selby.

In line with its fishing resurgence the company has also been developing its agency services. The traditional link with Fleetwood was completely severed, and the company retains its office and fish selling operation

there while the long-established Icelandic agency in Hull was strengthened last year when Icelandic Baldvin

Gislason and Marr have a substantial stake in the growing container trade with Iceland as well as Marr's traditional selling and agency work for Icelandic vessels landing directly at Hull.

Against this background the move into the EEC market through the acquisition of the Eurotrade agency in Cuxhaven can be seen as a logical expansion of Marr Fishing's business.

# MARR FORGES GERMAN LINKS

MARR fish selling agencies in Hull and Fleetwood have widened their international network with the acquisition of a German agency operating in Cuxhaven.

J. Marr (Fishing) Ltd. said that following the acquisition of Eurotrade KG from the parent company, Flamingo Fish of Bremerhaven, Eurotrade's managing director Gerd Gieseler and fresh fish trading expert Burgard Duse to run the company.

Marr director Charles

Marr said: "This is a logical extension of our substantial and growing trade through the two German ports, the past five years, during which we have established an excellent business and personal relationship with Eurotrade and Gerd Gieseler.

"This opens a direct route for our catches into the EEC and eastern European markets, and an

additional bonus is that Gerd brings into the company the international frozen fish trading expertise we have been seeking to add to our range of marketing skills.

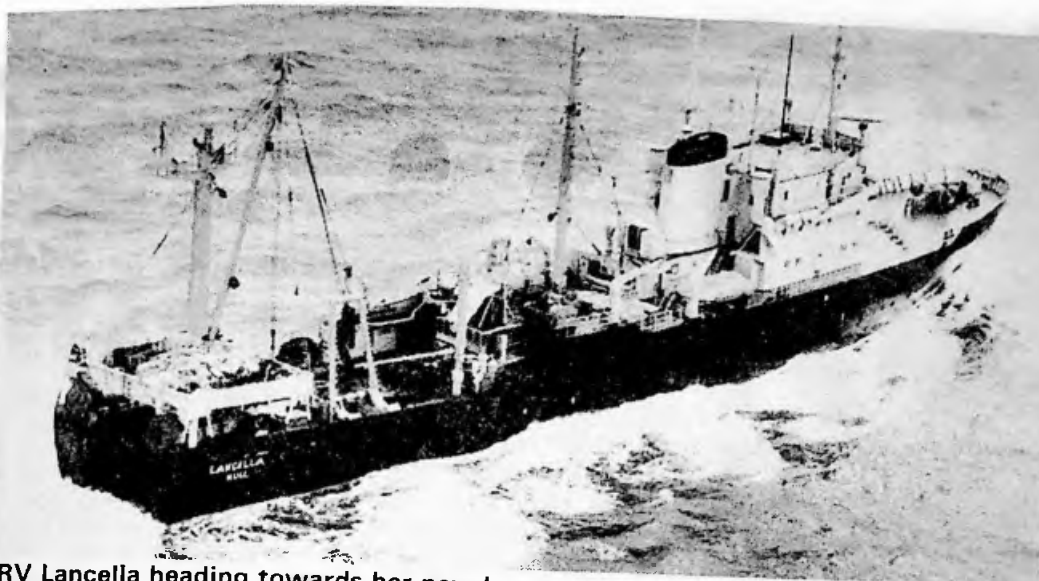
## Saithe

Marr began to develop the German market when some of the fish species it was restricted to under EEC quota arrangements, notably saithe, commanded better prices at the German ports. Now, in the nomadic life the

company's trawlers are forced to follow, landings in Germany are a regular feature.

Other agency work is handled through Gislason and Marr Limited, the Hull-based Icelandic agency headed by Icelandic Baldwin Gislason.

Contacts now are: Fleetwood, Jim Cross Tel: 03917 3466; Hull, Frank Knight (Marr Fishing) and Baldwin Gislason (Gislason and Marr Icelandic agency) Tel: 0482 27873; Cuxhaven, Gerd Gieseler Tel (from UK): 010 49 4721 22365.



RV Lancella heading towards her new home port of Hull

## MARR'S GERMAN RESEARCH SHIP

ONE of the world's best-known and biggest research ships arrived in her new home port of Hull last week with her new owners, J. Marr (Shipping) Ltd, looking forward to a variety of leading roles for their latest acquisition.

RV *Lancella* the former West German government ship *Anton Dohrn*, became the largest vessel in Hull's scientific exploration fleet when she docked last week.

The ship is, literally, adding an extra dimension to Hull's waterfront at 273ft. long and 41ft between waterline and bridgetop, she is one of the biggest ships ever to be based in the Western Docks.

She will also provide an added dimension to the worldwide operations of J. Marr (Shipping) whose other specialised fishery research vessel, *G. A. Reay* is currently on charter to the Falkland Islands Government as a fishery patrol ship.

The first charter, it was revealed at an arrival preview, will be a MAFF voyage off northern Scotland next month which would normally have been undertaken by *G. A. Reay*.

After that there would appear to be both fishery and other research options open

in several parts of the world according to Marr Shipping's Operations Director Capt. Graham Botterill.

As well as fishery research, the superbly equipped and maintained *RV Lancella* will adapt readily to a variety of scientific, survey and exploratory roles.

Fitted for most types of fishing, this 1943 grt research "giant" has a comprehensive range of sounding, navigation and recording equipment, along with well-equipped laboratories, workshops, and a hospital.

Built at Bremerhaven as *Walter Herwig* (and later renamed *Anton Dohrn* after a conversion), *RV Lancella's*

research duties took her to the South Atlantic and Antarctica — both areas of current special interest for the Marr company — as well as to the northern oceans.

*RV Lancella* revives memories of one of Hull's most famous trawler designs. A series of five 185ft. vessels — *Northella*, *Kirkella*, *Lancella*, *Thornella* and *Marbella* — were built for J. Marr & Son by Cook, Welton & Gemmell of Beverley in 1951.

They were regarded by many as the peak of side-trawler design, and many other companies subsequently built on similar lines. *Lancella* won the Silver Cod trophy in 1956.

## Peronists display their democratic

From Eduardo Cué  
Buenos Aires

Leaders of the Peronist Party, following its unexpected victory at the polls, are making a concerted effort to convince international opinion that their movement has shed its authoritarian past and is now unequivocally committed to strengthening democracy in Argentina.

The need for such a campaign became apparent to the Peronists as they learnt with dismay of the overwhelmingly negative press reaction abroad to their victory in the September 6 provincial and legislative elections.

Newspaper editorials in the United States and Western Europe expressed disappointment and concern at the Peronist victory. For many, the serenity and rationality represented by President Alfonsín was threatened by the return of the demagogic and authoritarian Peronists, who had ruled the country during much of the 1940s and 1950s.

A number of foreign commentators even suggested that the Peronist victory posed a new threat to the very survival of Argentine democracy.

Party leaders, stunned by the criticism and suddenly aware that they had an inter-

national image problem, responded with a rapidly organized campaign to depict a modern, democratic party similar to the Labour Party in Britain and the Democrats in the US.

"I think that the Peronists are seen through the same lens as in the 1940s. People don't realise that if we have won an election today it is due to our ability to adjust to new circumstances," Señor Antonio Casiero, a veteran Peronist and the Governor-elect of Buenos Aires province, told foreign journalists last week.

Señor Casiero, who emerged from the elections as leader of

the Peronist Party, admitted that he had been "disagreeably surprised" by the reaction abroad to his party's victory.

The Peronists, who won 16 of the country's 22 provincial governorship contests and deprived the ruling Radicals of their absolute majority in the Chamber of Deputies, have purposely understated the impact of their victory as part of an effort to show they have no intention of making it impossible for President Alfonsín to govern.

Señor Guido di Tella, a respected Peronist economist who teaches at St Anthony's College, Oxford, and just

## credentials

elected a national deputy, said: "The new Peronism makes its commitment to democracy explicit. Peronism is not an Argentine peculiarity, but the fact that this is widely believed is prejudicial to the party. The Democratic Party in the United States is the corollary of the Peronists."

The emergence of a reform wing made up of younger men split the party, but has led to wide-ranging efforts to make it more democratic. While Argentina's unions continue to be unabashedly Peronist, party leaders insist that labour influence in the party is diminishing.

## Alfonsin's Cabinet a balancing act

From Jeremy Morgan  
in Buenos Aires

President Raul Alfonsin yesterday appointed a new Cabinet, with the prospect that a crisis within his ruling Radical Party may complicate his remaining two years in power.

The new Cabinet seems primarily aimed at resolving a 10-day power struggle among leading Radicals in the wake of the party's defeat at mid-term elections on September 6.

The dispute was about whether the Government, which is now in a minority in both houses of Congress, should enter some form of pact with the opposition Peronists.

President Alfonsin tried to strike a balance between rival Radical factions in picking five new ministers for the eight-strong Cabinet. But it remains to be seen whether his choices will heal the split or make him a prisoner of the party apparatus.

Mr Enrique Nosiglia, the boss of the party machine in the capital, was appointed Interior Minister, despite considerable opposition from other Radicals.

The outgoing minister, Mr Antonio Troccoli, was asked by President Alfonsin to accept another post, but resigned from the Government altogether, apparently in protest at the pro-

motion of Mr Nosiglia.

Mr Nosiglia and his faction, the Junta Coordinadora, have been active promoters of the deal with the Peronists.

Mr Ideler Tonelli, a Radical, has been moved to the Labour Ministry. As Justice and Education Minister in the old Cabinet he, drew up the law absolving the bulk of military officers accused of human rights crimes.

Mr Tonelli's ministry was given to Mr Jorge Sabato, until now deputy to the Foreign Minister, Mr Dante Caputo, who was retained and reportedly led one of the factions opposing Mr Nosiglia's ascendancy in the party.

Apart from Mr Caputo, two other ministers survived the shake-up: Mr Horaciód Jaunarena at Defence and Mr Juan Saurrouille at Economy.

Mr Saurrouille's tenure remains in doubt, since his removal was one of Mr Nosiglia's key objectives amid the recriminations of defeat.

Completing the balancing act, President Alfonsin removed a member of the Junta Coordinadora as Minister of Public Works, and appointed Mr Rodolfo Terragno, a young journalist and academic with no known political affiliations inside the party.



### **Election defeats force Alfonsín into reshuffle**

**By Our Buenos Aires  
Correspondent**

President Raul Alfonsín of Argentina has completed a Cabinet reshuffle — following a defeat in mid-term elections — which casts doubt on future policy changes and gives supporters of the Foreign Minister, Señor Dante Caputo, a greater say in government.

The presidential spokesman said yesterday that Señor Caputo, who has reportedly been one of the President's closest advisers on the reshuffle, was confirmed in his post.

However, the new Cabinet also included Señor Enrique Nosiglia, a controversial party functionary whose promotion as Interior Minister is said to have been opposed by Señor Caputo.

## Argentine cabinet changes near

BY OUR BUENOS AIRES CORRESPONDENT

PRESIDENT Raul Alfonsín of Argentina is expected to announce today his new Cabinet and economic policy guidelines for the coming months. All his ministers offered their resignations after the Government's defeat at the polls last week, creating much speculation and uncertainty.

Leaks from the President's office and the headquarters of his ruling Radical Party suggest that Mr Juan Sourouille, Economy Minister, Mr Dante Caputo, Foreign Minister, and Mr Horacio Jaunarena, Defence Minister, will remain in their posts, while Mr Carlos Alderete, Labour Minister,

and Mr Julio Rajneri, Education Minister, are the most likely to be displaced.

The indications are that attempts to establish a coalition government with the opposition Peronists have been abandoned and that only ministers with close ties to the Radicals will be in the cabinet. The inclusion of Mr Alderete — a Peronist trade union leader, in the Cabinet since April — has proved highly conflictive and failed to divide the Peronist vote in favour of the Radicals.

A substantial Radical presence in the Cabinet implies a continuity of the economic policy pursued by

Mr Sourouille, with the likelihood of deeper fiscal and monetary adjustments. Tariffs for public services are expected to rise sharply this week, government privatisation programmes may well be accelerated and the anti-inflation programme will be hardened, with a possible lifting of price controls but a continuation of wage controls.

Such a combination of policies would enable Mr Sourouille to take a much harder line on the foreign debt, at the annual meeting of the International Monetary Fund in Washington at the end of the month, especially over interest rates.

## Army renews 'dirty war' propaganda

From Jeremy Morgan  
in Buenos Aires

Argentina's army is rumbling again even as President Raul Alfonsin wrestles with the fallout from his electoral reverse a week ago. And it seems the Falklands are entering the power equation between the armed forces and the elected government.

The army has already abandoned the studious silence it observed during the election campaign. Even as President Alfonsin ponders possible Cabinet changes, the army has resumed its own campaign for vindication of the "dirty war," a violent crackdown in which at least 9,000 people disappeared.

The latest gambit is to draw a direct parallel between the repression after the coup d'etat in 1976 and the unsuccessful military invasion of the Falkland Islands in 1982.

The head of the army, General Jose Caridi, claimed the crackdown produced "new heroes" in a message marking the army's Infantry Day, in which he also said the force was waiting for the "definite recovery" of the south Atlantic islands.

His message was thoroughly overshadowed by events at a parade at the Campo de Mayo military base, the centre of the rebellion against human rights trials last Easter.

Officers effusively greeted Major Ernesto Barreiro, whose

refusal to appear before a court sparked the uprising, as a retired general read out a speech linking the "dirty war" to the Falklands.

About 60 people dressed in civilian clothes gave fascist salutes and shouts of support outside the Infantry School, where Colonel Aldo Rico, who led the rebellion at Campo de Mayo, is being held under arrest.

Witnesses said the demonstrators included the head of Famus, a group which aims to offset human rights campaigners by drawing attention to the deaths of military men during the "dirty war," and an ultranationalist, Mr Oscar Castrogre, who led rowdy protests against the first post-war visit by British MPs to Buenos Aires in 1984.

Officials say President Alfonsin has reconfirmed the Defence Minister, Mr Horacio Jaunarena, in his job and it appears the Supreme Court also took action to avert a confrontation with the army when senior officers are due to testify before federal courts this week. It has done so by requesting judges to "remit" all outstanding cases, and it appears lower courts have suspended the hearings.

Even before the election, General Caridi restored to active service 24 army captains who had been demoted and suspended for joining Colonel Rico's rebellion.

## Clay goose

A SAD STORY from Port Stanley which makes me doubt the so-called tourist boom on the Falklands. Throughout last year and most of this the only hotel on the islands has been up for

sale—and no one wants to buy it.

I've chronicled before the efforts of Desmond and Nanette King to sell the Upland Goose, which for one brief moment in history was at least as famous as the Ritz or the Gritti Palace. They've run the place for nearly 20 years, are both in their sixties and admitted some time ago that they wanted a quiet retirement elsewhere in Stanley.

But after an 18-month struggle they've finally accepted no one wants their Goose—despite their claims that it has become a golden one, since my former colleague Max Hastings strode into its bar and declared the war over.

They have dispensed with their London agents Grant and Partners and will return from their summer hols to run the hotel again.





Radical beat: supporters of the Peronist party celebrate their surprise victory in Argentina's mid-term election

# Peronist comeback fuels uncertainty

PRESIDENT Raul Alfonsin of Argentina is still not sure what hit him. Nor are most of his compatriots. All they know is that last week's mid-term elections, which saw the opposition Peronists make stunning gains, were a political earthquake and that nothing will ever be the same again.

Equally dazed are the foreign governments and heads of major banks who can already feel the first tremors. They had grown used to the idea that Alfonsin would remain a dominant figure for many years to come and that, under his guidance, Argentina would become a reasonably stable democracy.

Now they must face the prospect of Argentina once again becoming a rogue country, contemptuous of conventional political rules and vulnerable to the slightest temptation to blunder into war or throw a sizeable spanner into the world's financial machinery by repudiating its foreign debt of more than \$50,000m.

by James Neilson

Henry Kissinger is said to have once remarked that the collapse of Argentine democracy could lead to the rise of a "new Gaddafi". That nightmare has come closer because these mid-term elections handed decisive power to a movement adept at making the country ungovernable but itself incapable of governing. In these depressing circumstances, Alfonsin could find it hard to resist the temptation to stake all on some desperate throw.

As the extent of his election defeat sank in, he moved towards a newly-toughened position on the debt, ad libbing in a speech: "We won't allow the International Monetary Fund to continue trying to apply ridiculous prescriptions that have nothing to do with the people."

Alfonsin is an impulsive man who has already toyed with the idea of default and also revived the Falklands is-

sue, 10 months ago, before thinking better of it. Now the temptations are greater than ever. Should he put a foot wrong, the Peronists will be sure to make the most of it. So too will the armed forces, savouring the thought that they may turn out to be the true winners.

Alfonsin has been the cornerstone of Argentina's hastily built democratic edifice. As polling day approached, with the inflation rate rising to 14% a month, he resigned himself to a sharp rap over the knuckles. But not even his gloomiest advisers imagined being so comprehensively trounced by the Peronists, who won almost 42% of the vote to the Radicals' 37%, triumphed in 16 of the 21 provinces, and deprived the ruling party of its majority in the chamber of deputies.

The Radicals even lost Buenos Aires province, the country's heartland, where the

Peronists romped home under Antonio Cafiero, who was economy minister in Isabel Peron's chaotic government.

He takes on the mantle of leader of a movement that remains an assortment of revolutionaries and quasi-fascists, soft leftists and feudalistic conservatives, philanthropists and thugs. There is no reason to think it could form a government able to grapple with Argentina's monumental problems.

During the election campaign the Peronists stated firmly that people should earn higher wages, that new jobs should be created, that the government should spend much more, and that the IMF should be put in its place. But nobody explained how the Argentine economic miracle could be summoned forth.

Ever since the early 1950s when Juan Domingo Peron's populist policies began to crumble under the weight of economic reality, Peronism has been amazingly successful



at winning mass electoral support. When it last reached power in 1973 its performance was abject: Argentina immediately became a battlefield and an economic crisis boiled over.

The effect of this new electoral upheaval will be far reaching. Even before the polling booths opened, the Radicals had come close to doubting their own ability to rule in the face of an obstructive parliamentary opposition, runaway inflation, and armed forces determined to make Alfonsín free their former commanders, jailed for appalling human rights violations.

Despite the enormous difficulties the Radicals soldiered on, drawing comfort from the belief that whatever happened, Alfonsín's special mystique would enable them to prevail. Since Alfonsín rode into office on a flood tide of public enthusiasm in October 1983, when he trounced the Peronists, his alleged invincibility at the polls had been

the fundamental fact of Argentine political life.

Until last week, the main aim of government strategists was to translate Alfonsín's prestige into permanent political power. They sought to reform the constitution, so that he could serve consecutive terms or, failing that, become prime minister well into the 1990s.

Even the Peronists took Alfonsín's supremacy for granted and many contemplated the advantages of finding a place in his movement. But now Alfonsín's "charisma" is in tatters.

The Peronists' victory buried Radical plans to divide the opposition by offering bright young Peronists senior positions in the government. Cafiero has wasted no time in rejecting the idea of a coalition government to keep democracy intact until the presidential elections due in 1989. "Governing is not the Peronists' responsibility," he said.

The Peronists have suddenly been granted a great deal of power without any of the sobering effects of responsibility. Given their record, this could be a formula for catastrophe. It could mean the end of Argentine democracy.

The Peronists' spectacular advance owes a great deal to the incompetence, vacillation and penchant for political intrigue of the Radicals. But it was also a result of the success of Peronist leaders in giving their movement a far more moderate facade than it had in the 1983 elections, when gangster-like elements were all too visible.

Now the overwhelming election victory has removed any need for Peronist self-restraint. All Peronist factions want their share of the spoils. With real power now tantalisingly close, moderate party leaders are in no mood to start expelling people whose style is less decorous than their own.



Beaten radical: President Alfonsín faces a difficult future

# Press Cuttings

from Broad Street Associates

FINANCIAL TIMES

12 SEP 1987

News that Argentina is seeking to freeze interest rates on its \$54bn foreign debt triggered a minor decline in the bank sector at the outset but prices picked up later in the day on the appearance of new time buying and "bargain hunting."

Standard Chartered were particularly favoured and ended the day a net 7 higher at 808p, after the sale of its 10 per cent stake in Hong Kong's Wing Hung Bank. NatWest closed little changed at 713p, as did Midland, 493p, and Barclays, 574p. Lloyds, perceived to have a large exposure to Argentinian debts, fell 10 to 343p, after 340p.

The big four clearing banks opened the day on a flat note after learning that the Argentinian government was planning to freeze interest repayments on its foreign debts, totalling £33 billion.

The stock market was predictably jittery about the news. All four banks combined have lent Argentina

❖ Late speculative buying lifted Rolls-Royce in its fully paid form 5p to 200p as almost 2 million shares were traded. The second tranche of 85p, due for payment on September 26, should finally sort out the lingering doubts about foreign holders that have overshadowed the shares.

about £1.87 billion and Brazil's decision earlier this year to freeze interest payments is still fresh in dealers' minds.

Barclays de Zoete Wedd, the broker, estimates that the Midland Bank has the most

exposure to Argentina with loans of £651 million, followed by Lloyds, which is owed £455 million. National Westminster has lent about £400 million and Barclays accounts for approximately £369 million.

BZW was unperturbed by the early shakeout and said that it was generally quite a good time to buy the shares. Some dealers thought this kind of positive thinking was behind the rally later in the day /which enabled share prices to close above their worst levels.

But losses were still seen in Lloyds, down 13p at 340p. Midland, 5p at 489p. Nat-West, 4p at 708p and Barclays, 2p at 573p.

# Press Cuttings

from Broad Street Associates THE GUARDIAN

12 SEP 1987

Last month's unchanged inflation rate helped to sustain the slightly more cheerful mood. Banks had to content with Argentina's decision to seek a freeze on debt interest payments. Lloyds reflected the trend at 340p, down 13p.

**No Wild Reaction Expected**

Traders generally don't expect the dollar to react wildly to today's report, as it did when the June figures were released, because then the dollar was then in an extended rally, and traders were unprepared for the bad news.

Late in the New York trading session, the dollar was quoted at 1.8046 Deutsche marks, up from DM1.8023 around the same time Wednesday, and 142.41 yen, up from Y142.03 Wednesday.

Overshadowed by the forthcoming trade figure, due today, trading was confined to narrow ranges of DM1.8025-90 and Y142.35-.85, with what little movement there was in the day coming in response to rumors.

A New York trader for a European bank said the early test of the DM1.8025 support level was inspired in part by vague rumors that Argentina was renouncing interest payments on its foreign debt. And a later upside run to DM1.8090 came in reaction to a spurious report that a U.S. military aircraft had been shot down over the Persian Gulf.

But still commanding center stage, as it has all week, was speculation over the latest set of U.S. trade data. "I don't think this

number is any more critical than any other but it's more talked about and played about," said Ron Sapiro, chief dealer at Continental Illinois National Bank & Trust.

## Tough line on creditors

By Jeremy Morgan

President Raul Alfonsin has adopted a more demanding attitude towards Argentina's foreign creditors, even as he clings to his respected Economy Minister Juan Sourrouille.

The International Monetary Fund will not be allowed to "continue trying to apply ridiculous recipes that have nothing to do with the people's needs", the Argentine leader said in what was seen as a reaction to his Government's heavy losses in last week's elections.

Banks would not be allowed to stop loans to debtor nations and neither would the World Bank be permitted to abandon "the task for which it was created; fundamentally, attending to problems of development, poverty and infrastructure", he told local business leaders.

President Alfonsin said he and the Economy and Foreign Affairs Ministers had agreed the Government should "immediately launch" a campaign to freeze interest rates at "historical levels".

Although he named neither minister, this was seen as tacit confirmation that both were staying on. But President Alfonsin's spokesman was unavailable for comment yesterday.

Mr Sourrouille earned the respect of bankers after introducing the Plan Austral anti-inflation austerity programme in June 1985, and for his patient efforts to impose order on Argentina's \$52 billion debt.

But his policies have been undermined by populists in the ruling Radical Party who now want to blame austerity for the electoral defeat. Instead, they

want a pact with the Opposition Peronists, who have called for a vaguely-defined debt moratorium.

Bankers yesterday commented that President Alfonsin "blew his top" amid criticism of his Government and mounting concern over Argentina's ability to comply with debt and loan accords.

The elections were held only weeks after the IMF approved a \$1.4 billion standby agreement and banks signed on for a \$34 billion package of debt refinancing and new loans.

The IMF has released the first two standby tranches, the banks are expected to follow with an initial \$750 million by September 15, and the banks already know Argentina is badly missing its targets.

Monthly inflation hit 13.7 per cent in August.



## Austerity hits home in Argentina

**A hard line by the banks over Third World debt could have dangerous consequences, argues Hugo Gurdon**

WHEN America forced Brazil this week to withdraw radical plans to securitise \$34 billion of external debt there was a heavy sigh of relief among creditors. Converting the debt into low interest long maturity bonds would have lopped 30 p.c. from what Brazil eventually paid.

But a return to the conventional methods of "redressing the country's problems" is likely to cause domestic difficulties for Brazil and its South American neighbours, particularly perhaps for Argentina.

There, the population is increasingly disillusioned with austerity programmes which, while producing hardship, appear to have done nothing to halt the upward spiral of debt.

Exports are declining and already the projections underpinning Argentina's most recent debt rescheduling agreement have been proved too optimistic. The cost of living rose 13 p.c. last month and 120 p.c. during the past year.

Argentina's governing Radical Party this week lost control of the country's national congress plus all but two of the 22 provincial governments.

The Peronists, who were the



President Raul Alfonsín of Argentina: Voters have signalled get-tough message over debt problem

main winners in the elections, concentrated their campaign on the government's economic policies.

With the support of trade unions which form the backbone of the party they campaigned for increased spending on public services and a halt to payments on the \$54 billion external debt.

Brazil showed in February that a moratorium was possible

at least in the short term. And the popularity of radical solutions is growing alongside the feeling that lenders must share the blame for the crisis in which the borrowers find themselves.

Even before the elections various officials hinted that the government intended taking a tougher line with creditors and with the World Bank and International Monetary Fund. The hints were not enough and a

"punishment vote" was the consequence.

On Monday, the Brazilian negotiators in London first officially proposed their radical securitisation. On the same day the Argentine poll made it clear that President Raul Alfonsín would have to accommodate Peronist views and it seemed likely that he would align himself with the Brazilian position.

Only a day later the Brazilian initiative collapsed and its Finance Minister Luis Bresser Pereira returned home to an angry reception and a doubtful political future.

He had agreed to discuss a diluted plan which in essence allows creditors to accept of reject securities in lieu of debt. Ironically, this "menu of options" is based on Argentina's latest rescheduling.

Argentina is a new and unstable democracy. Its government has just been delivered a message by the voters that they want a tough approach to the debt problem.

Essentially, they want the government to negotiate a partial write-off. Brazilian negotiators tried that and had the door slammed in their faces within two days.

It is difficult to see how President Alfonsín can meet the voters' demands. He has two years still in office and there is every possibility of a lame-duck presidency.

Argentina's history suggests that the most likely beneficiary of a political vacuum is the military establishment. We do not need long memories to regret the consequences of that.

**A**RGENTINE PRESIDENT Alfonsín demanded a freeze on interest payments his country pays on its \$54 billion foreign debt and attacked the IMF. He also implied that his economic minister will be retained and that economic policies of the last two years will be continued.

(Story on Page 9)

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## Argentine Leader Demands Interest Freeze, Attacks IMF

By JUDITH EVANS

Special to THE WALL STREET JOURNAL

**BUENOS AIRES**—In his first public statement since Sunday's unexpected broad defeat in midterm elections, Argentine President Raul Alfonsin attacked the International Monetary Fund and announced that his government will launch a diplomatic offensive to freeze interest payments on foreign debt.

The president's remarks came in a departure from a prepared speech delivered at a reception held by the Argentine Industrial Union. They are regarded as the government's first effort to regain the political initiative it lost when the populist Peronist Party scored election gains.

Mr. Alfonsin confirmed expectations that Argentina will modify its debt-negotiating strategy, turning away from what political opponents have attacked as a compliant approach.

President Alfonsin also implied that Economics Minister Juan V. Sourrouille will be kept in his post and that domestic economic policy will continue to follow the lines established over the past two years. Economists read the signals as support for a deepening of orthodox anti-inflation policies and an increase in the speed and scope of economic deregulation.

In his remarks, President Alfonsin said: "We won't allow the International Monetary Fund to continue trying to apply ridiculous prescriptions that have nothing to do with the people."

### Deteriorating Economy

A renewed political emphasis on the Argentine foreign debt had been anticipated before the election in light of Brazil's recent challenge to its creditor banks. But Brazil subsequently retreated from its novel proposal to turn 50% of its foreign bank debt into tradeable bonds, a move that hasn't been commented upon by Argentine economic officials.

Economic analysts also expected a hardened debt stance because Argentina's balance of payments is deteriorating and is expected to create difficulties with the IMF before year's end. Argentina in October faces the first of the IMF's bimonthly target reviews agreed upon in the most-recent round of negotiations.

In Washington, Reagan administration officials reacted calmly to President Alfonsin's remarks.

They noted that his call for an agreement to freeze interest rates was a far cry from the declaration of a unilateral freeze, such as Brazil imposed. U.S. officials expressed doubt Argentina would seek anytime soon to reopen its recently negotiated debt package with banks.

The Peronists have made clear that they want a toughening of Argentina's stance on its \$54 billion foreign debt, which has been refinanced on improved but conventional terms by Mr. Sourrouille.

Economist Pedro Lacoste said he saw a connection between the decision to harden the stance on the foreign debt and to maintain the current economic team and its policies. Restraining the inflationary surge of the past two months is likely to produce a sharp decline in economic activity, and toughening the nation's debt policy is "a diversionary tactic to cover an exposed flank in the domestic economy," Mr. Lacoste said. While a modification in the debt-negotiating strategy would occur over a period of months, the administration already is being confronted by high wage demands, inflation and interest rates.

### Different Approach

Jorge Dominguez, an economist and a candidate of the Peronist Party, said the Peronists would support the government's efforts to gain interest-rate concessions. But, while confirming his party's insistence on a different approach to the debt, Mr. Dominguez accused President Alfonsin of attempting to escape his government's responsibilities for domestic economic problems by hiding behind the debt.

Eduardo Amadeo, an important Peronist economic adviser, said, "A repudiation of the foreign debt doesn't interest us. Rather, we want to put a break on the unilateral transfers of funds to creditors." Mr. Amadeo's statement reinforced the impression that, although the Peronists want a stricter approach to the debt, they don't seek radical methods.

Up to now, the administration has followed a conventional approach in its foreign-debt negotiations, signing a major accord last month that rescheduled \$30 billion of debt over 19 years at sharply reduced interest rates. But the electoral defeat bolstered a widespread sense among senior economic officials that being a model debtor hasn't helped the country.

## Foreign bankers fear debt shift by Argentina

By Tim Coone in Buenos Aires

POLITICAL and economic pressures continued to mount upon President Raul Alfonsín of Argentina yesterday. Demands from within his party and from opposition Peronists to accept the resignation of Mr Juan Sourouille, Economy Minister, and change economic policy have been counter-balanced by foreign bankers who fear a hardening of Argentina's stance on foreign debt negotiations.

The lack of definition of the Government's economic policy has continued to upset local financial markets. The Austral dropped a further 4 per cent against the dollar on the parallel market, making a total fall of almost 10 per cent since the reverse suffered by the ruling Radical party in Sunday's mid-term elections.

The gap between parallel and official exchange rates is now 44 per cent, the highest since the introduction of the Austral Plan in 1985.

Unregulated interest rates continued to rise in an attempt by bank's to prevent deposits being attracted to operations in foreign exchange and dollar-linked bonds, while local stock market values also fell at the beginning of the week.

Market jitters caused by the offers of resignation of the entire Cabinet of President Alfonsín on Monday have been fuelled by publication of the official inflation figures for last month.

According to the national statistics institute, Indec, the retail price index rose by 13.7 per cent in August, a monthly record since the introduction of the Austral Plan. Managing directors of the Frankfurt-based Deutsche Bank met President Alfonsín to warn him against adopting a Brazilian approach to foreign debt.

## Alfonsin's party at panic stations

From Jeremy Morgan  
in Buenos Aires

Coalition fever and the search for a scapegoat have gripped Argentina's ruling Radical Party in the wake of its defeat at last Sunday's elections.

The prospect of governing as a minority in both houses of Congress for the remaining two years of President Raul Alfonsin's term in office has plunged the party into a state of near panic. As almost complete election figures confirmed the extent of the defeat, President Alfonsin called in his top advisors. There was speculation that Cabinet changes were imminent.

Reports said ministers had all offered their resignations. But spokesmen stressed that President Alfonsin was considering his options and political sources said a new Cabinet might not be known until next week.

Party leaders split into rival camps urging diametrically opposed views of the new realities in Congress. The Radicals, already outnumbered in the Senate, lost 13 seats and a small majority in the Lower House.

However, they will still be the biggest block, with 117 seats against 108 for the opposition Peronists, who gained five seats.

The balance of power has

gone to 14 minor parties, who now hold 32 seats. The Government will need 11 votes from other parties for a majority.

President Alfonsin is under pressure from the Junta Coordinadora, the populist faction that orchestrated the Radicals' unsuccessful campaign, to make a pact with the Peronists. Other advisers want him to enter alliances with the small parties.

The Coordinadora already have their sights on the Economy Minister, Mr Juan Sourrouille, whose austerity policies they blame for the rout at the polls.

Guido di Tella, one of the newly elected Peronist congressmen, said the election results left Mr Alfonsin with the alternative of seeking an alliance with the Peronists or with some of the smaller parties. "I think it is unlikely that we will join the Government," Mr di Tella said. "We would set conditions that I think would be impractical, and we are not eager to do it because it would be a mess."

Mr di Tella and other Peronists said the vote was a "punishment" for President Alfonsin's economic policy. After a year-and-a-half of controlled inflation, the cost of living has rocketed in the past two months, reducing the buying power of salaries.

**Argentine cabinet quits**

Argentina's cabinet offered its resignation following the severe setback for President Alfonsin's Radical Party in Sunday's elections. **Back Page**

# Argentine cabinet offers to resign

BY TIM COONE IN BUENOS AIRES

THE ARGENTINE cabinet has offered to resign following the severe setback for the ruling Radical Party in Sunday's mid-term polls.

The greatest doubt surrounds the future of Mr Juan Sourouille, the Economy Minister, whose austere policies have been blamed for the widespread upsurge in support for the opposition Peronist Party, which now controls both houses of the national congress.

A senior party official said last night it was up to President Raul Alfonsin to decide "who stays and who goes," but added that before any announcements were made there would be a three or four day reflection period.

President Alfonsin has declined to make any public statement on the outcome of the elections, adding to the confusion and uncertainty over his Government's future course, especially on economic policy.

The Peronist opposition, which is rooted in the trade union movement, staged a comeback in the polls, taking control of the provincial governments and shattering the Government's slim majority in the congress. Now, no party holds an absolute majority and the Government faces the prospect of paralysis should the opposition parties, led by the Peronists, unite against it in the congress.

President Alfonsin has to de-

cide whether to build alliances with various conservative parties represented in the congress which also made advances in the polls, or to extend a hand to the Peronists, offering cabinet posts and the possibility of a coalition government.

The first option, implying a further shift to the right and a more austere economic policy, risks a head-on confrontation with the trade unions and the Peronists, which were the main winners in the elections.

But the second option faces the prospect of failure due to the Peronists' reluctance to associate too closely with the Government and an economy which

shows few signs of recovery before the next presidential elections in 1989.

The Peronists believe they now have the presidency in sight. Said Mr Diego Guejar, a Peronist deputy and spokesman on budget issues in the congress: "The Peronist response to a coalition government will probably be 'no'."

"Nothing has been thought out yet. We are divided on the issue and we were irresponsible to arrive at the elections without a clear economic programme." A senior Radical Party official said conversations were taking place with the Peronists.



## Alfonsín to act on poll defeat

From Eduardo Cué, Buenos Aires

President Alfonsín of Argentina was preparing yesterday to make big changes in his Cabinet after his Radical Civic Union Party's defeat in Sunday's provincial and legislative elections.

Sources widely quoted in yesterday's Buenos Aires newspapers, indicated that among those likely to go are the Economy Minister, Señor Juan Sourrouille, whose tight monetary policies are being seen within the Government as the main cause of the Radical débâcle at the polls.

Señor Alfonsín, who said the results required serious reflection, spent Monday and yesterday analysing the vote and meeting close aides. The entire Cabinet formally pre-

sented its resignation late on Monday.

Meanwhile, the final election count showed the depth of the Radical defeat. Overall, they polled 37.9 per cent of the vote, down from 43.2 per cent in the 1985 elections. The Peronists had 41.5 per cent, a 7.5 per cent increase on 1985.

The Radicals lost four provinces to the Peronist opposition, including such Radical strongholds as Misiones and provinces such as Formosa and Chaco.

In all, the Peronists now control 16 of the country's 22 provinces with the Radicals holding only Córdoba, Rio Negro and the federal capital. Although the Radicals won

the vote in Tucumán province, the Governor there will be chosen by an electoral college and the combination of votes for the Peronists and a local party may be enough to elect a Peronist Governor. Perhaps symbolic of the Radical defeat was their loss in the city of Viedma, the site of the new federal capital.

In the Chamber of Deputies the Radicals gave up 13 seats and lost their slim two-vote absolute majority, although they will still represent the single largest voting block.

"The party that is not the Government has the power and the one that has the power is not the Government," the Buenos Aires business daily, *Ambito Financiero*, said.

# Press Cuttings from Broad Street Associates

WALL STREET JOURNAL.

9 SEP 1987

Alfonsin is planning changes in Argentina's economic policies, following the Peronists' gains in Sunday's election and soaring inflation, Vice President Victor Martinez said. Government sources also said the president is considering reshuffling his cabinet.

## The difficulties of Alfonsín

FOREIGNERS tend to look on President Alfonsín of Argentina with approval, considering him a better democrat than his rivals. The elections held last Sunday show that many of his countrymen hold him in lower esteem. The well-meaning idea that he will be strengthened, if Britain shows him leniency in respect of the Falkland Islands, has less to commend it than the view that no agreement can safely be reached with Argentina on the basis that Mr Alfonsín will long remain in power. He has two years of his term to serve, but his Radical party obtained fewer votes than the Peronists and lost the overall majority it had held in the Chamber of Deputies since 1983, when he took power after seven years of military rule. The Peronists also took 16 of the 22 provincial governorships, compared with seven before the elections.

Reasons for this grave electoral setback may not be far to seek. Inflation is running at a monthly rate of about 10 per cent. The real incomes of industrial workers have fallen by about a fifth since 1983, and state employees have done worse than that. The country is plagued by strikes. The government's austerity plan is regarded as a failure. President Alfonsín has not managed to reverse the economic decline which has beset Argentina for most of the last 50 years. In the 1930s, Argentine living standards were comparable to Canada's. The country has since regressed from developed to developing status, if that, and acquired a foreign debt of \$53bn.

Nor has President Alfonsín been able to assert his authority over the army. He sur-

vived a mutiny in April, but conceded the rebels' main demands. Several generals who were too inclined to make concessions to the civilian government were sacked, and immunity from prosecution has been granted to most of the soldiers and policemen accused of engaging in murder and torture during the military regime of 1976 to 1983, when 9,000 political prisoners disappeared. It is said that the offenders were only obeying orders. The armed forces did not intervene in the elections, allowing the country to complete an electoral cycle without military interference for the first time since the early 1960s. But they remain a potent threat to democracy.

Any contribution which the Peronists make to government is unlikely to improve matters. The last time they were in power, in the mid-1970s, inflation rose above 1,000 per cent per annum and terrorist acts by thuggish Peronist factions of left and right multiplied, giving the armed forces their excuse to intervene. The Peronists have strong links with the trade union movement, but the inclusion of a Peronist trade union leader in the government last April did not lead to industrial peace. The party has campaigned for an increase in state spending on welfare and a moratorium on payment of interest on the enormous foreign debt, neither move calculated to restore the foreign investment on which Argentina used to thrive. With the revival of the Peronists, President Alfonsín's task of consolidating democracy becomes still harder, and the negotiation of any treaty with him, whether about the Falkland Islands or anything else, still more dubious.

## Argentina's Political Landscape Shifts

### Opposition Gains May Force Alfonsín to Reshape Policy

By Bradley Graham

*Washington Post Service*

BUENOS AIRES — The stunning resurgence of Peronism and the blow dealt President Raúl Alfonsín's centrist party in this week's national elections have shoved this renascent democracy into a new period of political uncertainty.

But politicians and commentators said that the democratic process had been strengthened by the vote, which gave greater stakes in the system to the opposition — both the reformed center-left Peronist movement and the small center-right Democratic Center Union.

Despite policy differences between the country's two main political groups, there were indications that Mr. Alfonsín's Radical Civic Union might seek some form of coalition with the newly reinvigorated Peronists.

Antonio Troccoli, minister of the interior and a veteran Radical politician, said Monday that the Peronists would "share in the administration."

But as the parties look toward presidential elections in 1989, it is unclear whether the Peronists really want a power-sharing arrangement or whether the Radicals would accede to the opposition's conditions.

"I think it's unlikely we'll join the government," said Guido di Tella, a senior Peronist economist elected to Congress. "We'll put forward conditions that would make it impractical."

Instead, Mr. di Tella predicted, Mr. Alfonsín may try to form a

political alliance with center-right parties, although the tightening of economic measures that probably would entail is also fraught with political risks.

The scope of the Peronist victory had not been foreseen by opinion surveys.

The pro-labor movement captured more than two-thirds of the

reported later that all ministers had submitted their resignations for the president's consideration.

There was broad agreement among members of Mr. Alfonsín's party and opposition leaders that the election results showed discontent with the government's economic management. The Peronist victor, Antonio Cafiero, called it a "punishment vote."

Monthly inflation figures have jumped into the double-digit range in recent weeks, for the first time since mid-1985. Real incomes are eroding, and the national trade imbalance has widened.

Peronist leaders, closely aligned with the country's powerful labor unions, have been demanding a halt to interest payments on Argentina's \$54 billion foreign debt, saying that the funds should be spent on social programs, public works and industrial development. Mr.

#### NEWS ANALYSIS

country's 22 governorships and substantially increased its representation in Congress at the expense of Mr. Alfonsín's Radical Civic Union.

The Radicals lost their absolute majority in the lower house. With this sudden redrawing of Argentina's political map, Mr. Alfonsín was under pressure to revamp his nearly four-year-old government, especially its economic policy.

The Argentine leader spent the day with senior ministers and political advisers. Local news agencies

See DEFEAT, Page 7

## Backward in Argentina

Argentine politics throughout this century has repeatedly been seized by a perverse and self-destructive impulse that has done the country immense harm. One of the bearers of that tradition is the Peronist movement — and unfortunately the Peronists are the chief winners in Sunday's election. They have taken most of the provincial governorships. And although President Raúl Alfonsín's party continues to have more seats than any other in the national Chamber of Deputies, it no longer has the two-seat absolute majority that it commanded for the past two years.

It is not the pure arithmetic of seats lost that will undercut Mr. Alfonsín so much as the sense that his country is swinging away from rational and skillful leadership toward the darker and more adventurous alternatives that have always meant trouble.

Argentina's huge debts to foreign banks were generated largely by capital flight. The government borrowed desperately to keep its currency from collapsing in the years under the military juntas when wealthy Argentines were sending their money by the tens of billions of dollars to New York and

London. The best and easiest way for Argentina to repay its debts and stabilize its economy is to attract that money back home. The chances of that are going to fall at the same rate at which the Peronists' fortunes rise. In Brazil, a weak government, trying to avoid the necessity for extensive economic reform, is now hunting for allies to join its moratorium on repaying foreign debts. If the Argentine government is immobilized and prevented from carrying out its own program of reforms now getting under way, the pressure on it to join a moratorium will rise. That is a shortcut to economic isolation and stagnation.

At the turn of the century, Argentina was one of the world's richest countries. Its GNP per capita was equal to that of the United States. The figure is now about one-sixth the U.S. figure — a rare case of a country sliding rapidly backward down the scale of economic development. What happened? It was the result of misguided politics: the familiar mixture of fervid populism and nationalism represented in that big Peronist vote last weekend.

— THE WASHINGTON POST.

**Victory Dedication**

"We dedicate this victory to the memory of Gen. Peron and his wife, Eva," were almost the first words of the triumphant Buenos Aires governor, Antonio Cafiero, who is now widely viewed as a presidential candidate.

Many analysts believe, however, that party moderates—the so-called renovators widely credited for the victory—will hold sway, restraining more-extreme labor demands and calls for a debt moratorium among some factions.

Nevertheless, it's clear that President Alfonsín's attempts to rein in the military, who showed their clout last Easter in a rebellion against human-rights trials that went largely unpunished, will be complicated by the Peronists' new force. Moreover, even in a new guise, the return of Peronism to center stage could be traumatic to the many Argentines who associate it with decades of instability.



# Peronists Hand Radical Party Defeat in Argentine Elections

## Alfonsin's Party Loses Control Of Congress, Governorship In Buenos Aires Province

By ROGER COHEN

Staff Reporter of THE WALL STREET JOURNAL

BUENOS AIRES — President Raul Alfonsin and his centrist Radical Civic Union Party, paying for popular anger over the economy, suffered a crushing electoral defeat to the left-leaning Peronists that seems certain to lead to a period of political turbulence.

The Radicals, who have controlled the country since civilian rule was restored in 1983, lost their overall majority in Congress and the governorship of the pivotal province of Buenos Aires. Clearly the victim of grievances over high inflation and a steep decline in the purchasing power of wages, the party retained control of just three of the country's 23 provinces in the congressional and gubernatorial elections. The Peronists took 17 provinces, with the remainder going to local parties.

Almost-complete returns gave the Radicals 37% of the vote, against the Peronists' 41%, a sharp reverse from the 1983 presidential poll, when the Radicals won 52% of the vote and the Peronists 40%. Center-right parties also improved their performance in Sunday's election.

### Problems for Alfonsin

For Mr. Alfonsin, whose high international reputation has been dented at home by a mounting sense of economic stagnation, the defeat posed several problems and made it less likely he will seek a second term in 1989.

He will be under intense pressure to change the economic team headed by Economics Minister Juan Sourrouille, whose already crumbling image has been battered by inflation rising 13.8% last month. At the same time, the Peronists have made it clear that they want a toughening of Argentina's stance on its \$54 billion foreign debt, which has been refinanced on improved but conventional terms by Mr. Sourrouille. A coalition government with the Peronists may become necessary, and attempts to reform the constitution toward a parliamentary system that would allow Mr.

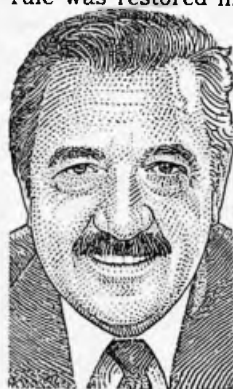
Alfonsin to stand for re-election will now face severe difficulties.

"The country voted for change and the economics team will probably have to go," said leading sociologist Manuel Mora y Araujo. Interior Minister Antonio Troccoli conceded that "now the Peronists will share the administration of this period of transition."

That transition — portrayed by Mr. Alfonsin as one from a half-century of instability and intermittent coups to stable democracy — now looks more hazardous. The president will be working with a parliament in which he doesn't have a majority, a far tougher proposition in a volatile country such as Argentina than in solid democracies such as France or the U.S. Moreover, he will be attempting this balancing act at a time when high wage demands from invigorated Peronist labor unions appear inevitable and could boost what is already beginning to look like a hyper-inflationary spiral.

Overall, a critical test of Argentina's fledgling democracy now looms. While some took comfort from the fact that the election was calm and suggested that an alternation of power could be a salutary democratic experience, it is clear that the country has rejected Mr. Alfonsin's appeals for consistency and for understanding of his dogged attempts to reverse a long decline. With workers' wages rooted at little over \$100 a month, rising unemployment, and the promised galvanization of the economy through denationalization and an opening to foreign competition stalled, Argentines have gambled instead on the unknown.

That is what Peronism is. Deeply associated still with the memory of populist leader Gen. Juan Peron and his charismatic wife, Eva, the party has modernized itself since 1983 along social-democratic lines without ever entirely severing old ties with labor unions and the military, or abandoning vestiges of a trenchant nationalism.



Raul Alfonsin

## Peronists gain in Argentina

THERE IS no disguising the setback suffered by President Raul Alfonsín in Argentina's mid-term elections over the weekend. The opposition Peronist Party now controls both the upper and lower houses of parliament. President Alfonsín is confronted with two basic choices: either he opts to run a minority Radical Party government for the remainder of his two-year term, or he accepts some sort of power sharing deal with the Peronists.

Neither of these are comfortable choices. The situation requires considerable political skill if Argentina's fledgling democracy is to be kept on course. The burden is not just on President Alfonsín but also on the Peronists who must demonstrate they can act with maturity. Otherwise, the ingredients exist for a debilitating struggle whose only beneficiaries will be the military.

It is thus encouraging that the initial reaction of the Peronists to their electoral gains has been responsible. An influential sector of the Peronist leadership seems to realise an ideal opportunity exists to demonstrate that the party is no longer so bound to the nationalism, corporatism and bully-boy tactics associated with the late General Peron. The importance of this opportunity cannot be overstated. The Peronist Party risks being a permanent negative force in Argentine politics so long as it continues to base itself round a sentimental semi-fascistic glorification of Peron whose policies have long been discredited in practice.

### *Creeping inflation*

However, the Peronists' current moderation is based on the belief that President Alfonsín will be obliged to work with them, either in a formal coalition government or on the basis of agreed policy changes. In terms of Argentina's stability by far the most satisfactory solution would be the formation of a coalition government. This would make the Peronists jointly responsible for policy. Since they control the powerful trades union movement it would also provide a greater guarantee of a nationally agreed economic and social programme which has eluded President Alfonsín these past three years.

On the other hand if the Peronists are now denied a say in government, it is hard not to see them declaring an all out war on President Alfonsín both on the streets and in parliament. This could revive the party's uglier side and make consensus politics impossible.

President Alfonsín suffered in the elections largely because of his handling of the economy. There has been growing disenchantment with his government's apparent inability to deliver on the initial promise of the austral stabilisation programme. Inflation has been creeping up again, growth is flat despite commitments to stimulate activity and there is a widespread feeling that the country is making too many concessions to the international financial community to service its debt and obtain credit.

### *Performance targets*

Prior to the elections various officials hinted at the possibility of a change in economic policy, especially regarding foreign debt. The latest trade figures have highlighted a declining trend in exports, undermining the projections on which Argentina recently signed a major loan rescheduling agreement with the commercial banks. The election results suggest that a reassessment of foreign debt policy, perhaps moving closer to Brazil's position, will be one of the first consequences of the Peronists' gains, with or without a coalition government; for President Alfonsín is likely to put his own survival and that of the Argentine political process above the interests of the international banking community.

Among the options considered before the elections were the partial write-off of principal owed, the lowering of interest rates and the fixing of longer-term International Monetary Fund performance targets. If Argentina is to go ahead with any of these options it will help its own case by demonstrating that despite the setback for the ruling party coherent political leadership is still possible. In this the lead must come from President Alfonsín who still enjoys considerable moral authority; he must have the statesmanship to show that what was a bad result for him could yet prove to be a positive outcome for Argentina.

## Tim Coone on Argentina's mid-term elections

# Alfonsin's Radicals put brave face on poll result

THE RULING Radical Party (UCR) was yesterday trying to put on a brave face to hide the surprise and bitter disappointment of its overwhelming defeat in Argentina's mid-term elections held on Sunday.

As results flowed in overnight and it became clear that victory would go to the populist Peronist Party, Mr Marcelo Stubrin, a close adviser to President Raul Alfonsin and member of the UCR national committee, chose an optimistic tone: "The elections have been a triumph for the system and have consolidated democracy in Argentina," he said.

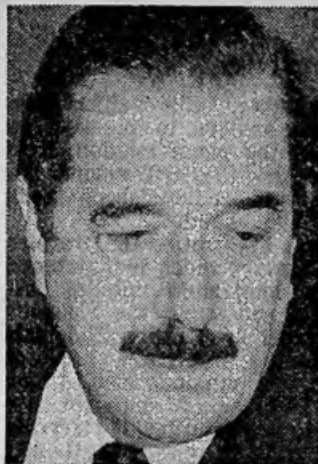
He was referring to the fact that it is the first time in 25 years that consecutive elections have been held in Argentina without a military coup intervening. He said a government of national unity "is now more necessary than ever" and admitted that the results had come as a surprise.

The defeated UCR candidate for the governorship of Buenos Aires province, Mr Juan Casella, one of the party's leading figures, said he intended withdrawing from politics "for a prolonged period", adding: "I have been a candidate that has not been able to overcome the difficulties of the national government."

Mr Antonio Cafiero, the leader of the Peronist Party and winner of the Buenos Aires governorship, meanwhile told reporters: "We are now the majority and the principal force in the country. We have enormous responsibility, not only to consolidate the democratic system, but also to bring economic progress and social justice."

With 99 per cent of the results officially confirmed, at a national level, the Peronists have won 41.4 per cent of the vote against the UCR's 37.3 per cent.

The governorship of the key province of Buenos Aires has changed hands from the ruling Radicals to the Peronists, as have the governorships of three other provinces. The UCR has lost control of the Chamber of Deputies in the National Congress, not only through the loss of 13 of its seats but also a further 10 seats that were formerly held by Peronist deputies that were allied to the Radicals. The UCR previously held a slim



Raul Alfonsin: defeated

majority of only three of the 254 seats in the chamber.

Although still a minority, the new block of Peronists in the Congress, which was formerly deeply divided, will in future be more cohesive and able to bring a much stronger opposition to the government, which is now also a minority.

The alliance the Radicals had made with an important sector of the trade union movement, the so-called group of 15, will also be weakened as the representatives they controlled in the congress have almost all lost their seats. The labour minister, Mr Carlos Alderete, is linked to the group of 15.

In 1989, Mr Cafiero will not only be a powerful candidate for the presidency, but elections to the senate will also be influenced by the outcome of the voting on Sunday, as the senators are elected by the provincial governments which showed similar swings to the Peronists.

Yesterday afternoon, there was speculation that there would be an imminent resignation of the economy minister, Mr Juan Sourouille, who has been the principal target of attack by the trade union movement and the Peronist Party over the past two years. He was the chief architect of the Austral plan introduced in 1985 designed to reduce inflation.

In spite of early success of the plan at the cost of falling living standards and growing political discord, inflation over the past three months has once again been rising sharply hit-

### ARGENTINE ELECTION STATISTICS

On basis of 99 per cent of all results for 1987

| Elections for Deputies (per cent) |       |       |      |
|-----------------------------------|-------|-------|------|
|                                   | 1983  | 1985  | 1987 |
| UCR                               | 49.46 | 43.24 | 37.3 |
| PJ                                | 23.57 | 24.12 | 41.4 |
| UCD                               | 8.71  | 3.65  | 5.7  |
| PI                                | 5.87  | 6.08  | 2.0  |
| Others                            | 12.39 | 22.91 | 13.6 |

### BUENOS AIRES GOVERNORSHIP (per cent of total votes)

|        | 1983  | 1987 |
|--------|-------|------|
| UCR    | 51.97 | 39.4 |
| PJ     | 39.81 | 46.5 |
| UCD    | 0.36  | 4.7  |
| PI     | 4.1   | 2.8  |
| Others | 3.76  | 6.6  |

Total number of voters 1987: 19.42m

|                                             | Union | Civica | Radical |
|---------------------------------------------|-------|--------|---------|
| UCR                                         |       |        |         |
| PJ Partido Justicialista (Peronists)        |       |        |         |
| UCD Union Centro Democratica (conservative) |       |        |         |
| PJ Partido Intransigente (centre-left)      |       |        |         |

Others—Includes all other parties, none of which obtained more than 3 per cent of the vote at national level. Includes spoiled votes.

ting real incomes.

The defeat at the polls on Sunday for the government is already being widely blamed on the government's economic policy and early changes are therefore expected at Mr Sourouille's ministry.

What thus amounts to a defeat for the government throws its entire platform open to question in a number of key areas. Besides prices and incomes policy, other contentious issues will have to be placed on the negotiating table with the Peronists if the government expects to be able to run the country without being paralysed until the end of its term in 1989. These include interest rates policy, the negotiation of Argentina's \$54bn foreign debt with its creditor banks and the International Monetary Fund, the proposed reform of the constitution, new labour legislation and reform of the armed forces.

This may necessitate more than just changes at the economy ministry. Mr Cafiero said yesterday he was ready to meet immediately with President Alfonsin to discuss the future course of the government, and hinted that he was prepared to consider the possibility of a coalition.

## Poll blow for Alfonsin

By Cristina Bonasegna in Buenos Aires

PRESIDENT Alfonsin's Radical party suffered a staggering defeat in Sunday's election in Argentina, the most important since he took over from a military regime almost four years ago.

Provisional results gave the opposition Peronist party a sweeping victory after two consecutive defeats in 1983 and 1985.

The Peronists deprived the Radicals of their overall majority in the Lower House, retained 12 of Argentina's 22 provinces and won another four, including the key province of Buenos Aires.

The Radicals retained only Buenos Aires, the federal capital, and two of the seven provinces they previously held.

According to the provisional results, including the count from most of the ballot boxes throughout Argentina, the Peronists (Justicialist party) had polled 41.59 per cent of the vote against 37.26 per cent for the Radicals.

The results give the Peronists 115 seats in the 254-seat Lower House (up from 103) and the Radicals 114 (down from 130).

### Punishment vote

They also make the conservative Union of Democratic Centre, a strong advocate of privatisation, the third strongest party, with a surprise increase in their Lower House seats from three to nine. Final results will be available tomorrow.

At stake in Sunday's elections were half of the Lower House seats, governorships in all but one of the provinces, and 10,000 provincial and municipal elected posts. The newly-elected take office on Dec 10.

In what is seen as a punishment vote against the Radicals for their economic policies, the

Peronists won the crucial province of Buenos Aires, where a third of Argentina's 30 million inhabitants live.

The Peronist, Antonio Cafiero, won the richest province with 46.6 per cent of the votes, against 39.4 per cent polled by Alfonsin's candidate, Juan Manuel Casella.

Three other provinces remain under the government of smaller, local parties. The fate of the tiny province of Tucuman is still a mystery as the Radical party's simple majority of votes there does not seem enough to win the governorship in the electoral college.

Alfonsin falters — P15

## Alfonsín falters but democracy is growing up

**CRISTINA BONASEGNA** on the impact of  
the latest poll results in Argentina

ARGENTINES yesterday woke to a surprise defeat of President Raul Alfonsín's Radical Party that not even the most optimistic opposition Peronist had dared to predict.

Unofficial results of Sunday's polls showed that the ruling Radicals had lost their narrow overall majority in the Lower House (from 130 seats to 114) and had failed to retain all but two of the seven provinces they won in 1983.

According to the provisional results, the Justicialists—as the followers of late President Juan Domingo Peron are called—added five more provinces to the 12 they already held and increased their number of Lower House seats from 103 to 115.

The conservative Union of Democratic Centre, which has strongly advocated the privatisation of state companies, was undoubtedly the second winner, increasing their number of seats in the Lower House from three to at least five.

The results of the polls—an important step in the strengthening of Argentina's fledgling democracy—are seen as a "vote of punishment" for Alfonsín's austere economic policies.

In 1985, the Radicals obtained their second successive victory over the Peronists since 1983 after launching the Austral plan to curb inflation which was then galloping at more than 1,000 per cent a year.

But two months ago the monthly inflation rate broke the two-digit barrier for the first time in two years and a spate of strikes started to cripple the country, already burdened by a \$54 billion debt.

"I voted for the UCD", said a smiling cab driver.

"I voted Radical before," he added, "but in the last couple of months everything capsized." For some others, the results also revealed disapproval for the Government's human rights policies.

A few months ago the Radicals gave in to pressure from military officers opposed to human rights trials and pushed the so called "Due Obedience Law" through Congress.

The law amounts to a virtual amnesty for middle and lower ranking officers accused of committing human rights violations under the former military regime in the mid and late Seventies, when at least 9,000 people disappeared.

After Sunday's defeat, President Alfonsín is expected to reconsider the Government's policies and maybe make changes in his cabinet. In the long term, the results mean that for the last third of his six-year term, President Alfonsín will find it difficult to get congressional approval for his cherished projects without making further concessions to the opposition.

His efforts to streamline a state-controlled economy—as Argentina's creditors would like him to—may thus never materialize. By the same token, a bill to reform the Argentine constitution in order to introduce a prime minister and presidential reelection may find opposition in Congress.

As the Peronists are only too



Polls apart: Alfonsín (top) and  
jubilant Peronists Antonio  
Cañero and Luis Macaya

well aware, the opinion polls still rate Alfonsín as one of the most popular individual politicians. They are therefore expected to put off the reform until it is too late to apply it to the next presidential election scheduled for 1989.

The results of the polls are also expected to have an impact in the re-organization of both parties, with an eye to the next polls. Antonio Cafiero, the Peronist candidate who conquered the key province of Buenos Aires, is likely to emerge as the party's leader and seek a presidential nomination.

Juan Manuel Casella, like other defeated Radical gubernatorial candidates, may be heading for the political wilderness.

"I have been the main defeated (candidate)," said a tired-looking and unshaven Casella who lost the rich province of Buenos Aires to Cafiero.

"I will begin a long parenthesis in my political career," he added.

The results show that Argentines have abandoned emotional voting and have started making rational choices. "The long cycle of one party having hegemony over the rest seems to have been broken," observed a political commentator on television yesterday morning.

But doubts still remain as to whether the Peronists, who have not yet managed to organize themselves into a real party, will be able to handle such a big share of power without taking their internal squabbles to the top.



## Alfonsin suffers polling setback

From Jeremy Morgan  
in Buenos Aires

Argentina's mid-term elections have left President Raul Alfonsin haunted by the ghost of General Juan Domingo Peron and facing bleak prospects for continuing to govern until his term in office expires in 1989.

The final count from the largest elections held since the country's return to democratic rule will not be known until the middle of the week, but the extent of the setback to the ruling Radical Party was already clear yesterday.

The overall trend was a shift by the voters of about 5 per cent to the opposition Peronist mass movement, while other smaller parties also made inroads into Radical territory.

With about 85 per cent of the vote counted, the Radicals appeared to have lost 11 of their seats in the lower house of Congress, along with their small overall working majority there. Calculations based on partial figures indicated that the Radicals might still form the biggest bloc in the lower house, but the ruling party would be highly vulnerable to pressure from the Peronists and many smaller parties.

As pundits predicted, the balance of power in the lower house will now be held by third parties.

However, the poll's psychological advantage undoubtedly lies with the Peronists and their allies in the labour unions — even though the Peronists seem unlikely to regain all the losses they suffered with the Radicals' substantial advance in Congressional elections two years ago.

Initial results indicated that the Peronists, who held 103 seats in the old house, gained about half a dozen seats on Sunday.

The Union de Centro Democratico, a small conservative party founded as the former military regime moved to relinquish power in 1983, was thought to have gained perhaps five seats, almost matching the Peronist performance.

However, the Peronists nearly made a clean sweep in the country's 22 provinces and were believed to have reduced the number of Radical provincial governors by more than half to only three.

While the Radicals clung on in a few provinces, the extent of their defeat became clear when they conceded the Peronists had won control in Buenos Aires province, the country's most populous region with 7.4 million voters.

That happened less than five hours after counting started on Sunday night, and by yesterday it was evident that the Peronists had routed the Radicals in the interior, complicating the outlook for an economic policy whose rigours were seen as an important factor behind the Government's defeat.

Government sources privately conceded that President Alfonsin was "evaluating" the economic policy.

Speculation grew over the fate of the Economy Minister, Mr Juan Sourrouille, the architect of the Plan Austral anti-inflation drive, which was launched with considerable bravado and some success by President Alfonsin in June, 1985.

Plan Austral visibly stopped producing results several months ago, as economic policy fell victim to electoral considerations and pressure from inside the Radical Party for measures to boost wages and jobs.

In the end, the election took place amid unconfirmed reports that the monthly inflation rate, which fell to only a few per cent shortly after Plan Austral went into force, had gone back up to at least 15 per cent.

The Austral, a new currency introduced as the symbol of what was supposed to be a wholesale restructuring of the economy, plunged on black markets yesterday as shares tumbled on the stock exchange.

The reaction reflected not only surprise at the result but fears that President Alfonsin would not be able to continue his economic strategy, or many of his other policies.

General Antonio Bussi, the general linked with the former military regime's repression of the opposition, appeared to have done well in the northern province of Tucuman, where the Radicals scored against an incumbent Peronist governor.

## Alfonsín Radicals slump in elections

From Eduardo Cué  
Buenos Aires

President Alfonsín's Radical party suffered a severe, unexpected defeat in important provincial and legislative elections in Argentina on Sunday, losing its absolute majority in the Chamber of Deputies and the governorship of the key Buenos Aires province.

The opposition Peronists made a significant comeback from their defeats in the past two national elections, winning 16 of the country's 22 provinces and adding three national deputies for a total of 106 seats in the 254-member lower house of Congress.

The Peronist victory in the provinces extended from Santa Cruz in the far south to the entire north, with the exception of Corrientes. The Radicals were able to hold only Córdoba and Rio Negro and take Tucumán province from the Peronists. Three other provinces, including Corrientes, were won by regional parties.

In Buenos Aires, where public opinion polls had predicted a difference of only 1.5 per cent between the two leading candidates, Señor Antonio Cafiero, the Peronist, won with 45.7 per cent of the vote against 38.7 per cent for his Radical opponent, Señor Juan Manuel Casella.

In the Chamber of Deputies the Radicals, who had enjoyed an absolute majority since the return of democracy in 1983, lost 14 seats, reducing their total to 115 but maintaining their position as the largest single block. The party had been widely expected to be deprived of its two-vote absolute majority, but most observers had predicted a loss of five to seven seats at most.

Señor Antonio Troccoli, the Interior Minister, told a press conference at which he admitted the Radical defeat that the Peronists were now going to share the administration "during this period of transition". He added that the opposition party had recovered some of the votes it lost in the 1983 and 1985 elections, but said the results were not "catastrophic for the governing party".

The Radicals' sole consolation was their victory in the important province of Córdoba and their continued strength in the federal capital, where they won 38.5 per cent of the vote against the Peronists' 23.6 per cent.

More significant was the strength of the Union of the Democratic Centre — its 18 per cent of the vote was almost double what it achieved in the capital in 1985, and increased its representation in the lower house from one to three.

The biggest loser nationally was the leftist Intransigent Party, which received only 2.8 per cent of the vote in Buenos Aires province, compared with 10 per cent two years ago. Former Intransigent supporters, apparently eager to punish the Radicals, switched their votes in favour of the Peronists, assuring the election of Señor Cafiero.

● **Thousands celebrate:** Thousands of Peronists celebrated in front of party headquarters in Buenos Aires, waving flags, beating drums and flashing the victory salute (Reuter reports).

**Comfort for generals, page 12**

Jeremy Morgan in  
Buenos Aires

## Peron's ghost

ARGENTINA has half-decided to have yet another fling with Peronism, and may have stranded President Raul Alfonsin with two more years of his mandate still to go.

The Peronist vote in Sunday's mid-term elections fell far short of an absolute majority. Even so, it seemed that the populist mass movement — and its allies among the rightwing cabals controlling Argentina's far-from-democratic labour unions — had regained its traditional pre-eminent position on the political stage.

Whether this also meant the Peronists had secured an effective veto over the Government's actions was not clear as counting continued yesterday. But with his ruling Radical Party losing control of the lower house of Congress, the election result is a severe setback for Alfonsin's plans.

Ever since he took over from the military regime in December, 1983, the President's party has been outnumbered by the Peronists and smaller regional parties in the upper house, the Senate. Now the new pattern of power in the lower house, the Chamber of Deputies, is expected to leave the Radicals little choice between two difficult options — a wide-ranging agreement with the Peronists, or an alliance with virtually every other political current represented in Congress.

Either way, Alfonsin's austere economic strategy and other policies including constitutional reform, switching to a parliamentary system of government, moving the capital a thousand miles to the south and selling off state assets, already seem to be seriously compromised.

A pact with the Peronists would certainly spell the end of Alfonsin's dream of forging a strongly-pluralist Argentine democracy before he leaves office.

The niceties of gracious victory counted for little as tens of thousands of Peronist youths took to the streets in the centre of the capital after the Radicals conceded defeat in Buenos Aires province.

The Peronists' fundamental view of themselves as the true and only essence of being Argentine was on full show as threatening drummer bands led the march. The police, Peronist to a man for years, sat quietly around the corner as youths tore down rival party posters, burned rubbish and almost set a building on fire, smashed bottles, hurled vulgar insults at the Radicals and barged passers-by in the early hours of yesterday morning.

The crowd, reminiscent of the rowdy triumphalism that greeted the Falklands invasion and the World Cup soccer victory, marched on Congress but drifted away once they saw the heavily-armed military presence there. But the public's rebuff to the Radicals, and the party's loss of control in Congress, will weaken the President's position in the still unresolved relationship with the armed forces.

Legal proceedings start soon against 46 senior military officers in connection with human rights crimes under the former regime. These officers were not absolved under the "due obedience" near-amnesty law rushed through Congress after the army rebellion last Easter.

Throughout the election campaign, the suspicion was that the middle-ranking officers behind the uprising were only biding their time until the results were in. Demands for more action to halt human rights trials and "vindicate" the repression under the regime are now expected to resume in a more public form.

## Don't cry for Alfonsín

Britain has no diplomatic relations with Argentina. Accordingly Britain conducts next to no trade with Buenos Aires. Why, then, are yesterday's election results, from so far away, so important? The narrow answer is that the drubbing handed out to President Alfonsín's Radical Party by the Peronists introduces added instability to a country wracked by inflation and always, on its history, a gun shot or two away from a military coup. Instability for Argentina has a tendency to provoke nationalist adventures; the last such adventure was the invasion of the Falklands — which is why the great diplomatic freeze continues. So Mr Alfonsín's defeat is bad news for Port Stanley and the Foreign Office.

There is a wider answer, too. Argentina has a pivotal role in South America. If, with all its natural opportunities and squandered resources, it cannot establish a stable democracy, then what hopes are there for the countries to its north? And, in detail, how will its new, inevitably coalitionist government, address the crippling mountain of debt it owes to the nervous banks of America and Europe? There will be tricky, nervous weeks ahead.

But there is one basic and saving grace to these elections. Most emergent democracies (see Spain even today) may have a natural party of government; but they don't have a solid party of opposition. Mr Alfonsín, two years from the end of his term, now has an opposition he must do business with, an opposition with realistic hopes of future power. The campaign that brought the Peronist victories was notably calm. The politicians know that all of their aspirations rest on orderly politics and orderly transitions. Alfonsín's problems may

bring dire problems for Argentina. But not of necessity, if the new Peronist leadership has learned some of the brutal lessons of the last two decades.

# Cry, Argentina!

From LOUISE BYRNE in BUENOS AIRES

THE spectre of Eva Peron returned to haunt Argentina yesterday as results of the weekend national and local elections gave a major victory to the Peronist party.

Thousands of Peronists, many waving flags bearing the face of Eva, took to the streets to celebrate what is a major setback for the government of President Raul Alfonsin.

It has lost its majority in the lower house of congress to Peronistas and will certainly have to rethink its entire strategy for the presidential elections in two years.

The election victory by the Peronists marks a new era in Argentina's four-year-old democracy and shows that the Peronistas are again a political force to be reckoned with.

## Welcomed

General Juan Peron ruled Argentina on and off, over 30 years between 1945 and 1976. His second wife, Eva who died of cancer at 33, is revered as a saint by many supporters.

Peronism had a fanatical following, particularly amongst the working-

## Threat to Alfonsin in poll win for Peronists



Eva Peron: Still a potent force

classes, and was surrounded with an aura of mysticism.

Recent events have continued that aura. In June this year thieves broke into Peron's tomb and cut off his hands. A \$5 billion ransom is still being asked for their return. Eva's body was stolen in 1956 but finally returned to be buried in Argentina in the Seventies.

Despite the party's large following it suffered a major loss of prestige in Peron's last years as ruler. He emptied the country's coffers with overspending, and terrorism was rife. Many Argentines welcomed the coup which toppled the party in 1976.

And even when democracy

returned to Argentina in 1983 many Peronists voted for the opposition Radical Party, fearing a return to violence and authoritarian rule.

This prompted some Peronists to split away from the hardliners in the party in an attempt to soften the party's image and draw back some middle-class voters.

Sunday's elections show they were successful, although some argue that the Peronist victory stemmed from discontent with the meagre achievements of President Alfonsin's party after four years in power. Inflation has begun to climb, real wages continue to fall and the country's \$2 billion U.S. dollar debt is ever-present.

Daily Mail  
7 September 1987

## Don't cheer yet for Argentina

PERON lives. That is the macabre and menacing roar of triumph now resounding through the streets of Buenos Aires. Thirteen years after the death of Argentina's most notorious neo-Fascist leader his political heirs are again in full cry.

It is to the credit of President Raul Alfonsin, who returned the country to democratic rule in 1983, that he has had the courage to put his party's popularity to a mid-term electoral test — the first time that has happened for thirty years in this South American country, where the coup is so often mightier than the ballot box.

That's the good news. The bad news is that the Peronist Opposition has savaged President Alfonsin at the polls. He means well but has failed to deliver the economic goods.

Too soon, maybe, to cry for Argentina. But few outside that country will be disposed to cheer the democratic revival of the Peronists, in some respects a throw-back to the National Socialists of the Thirties here in Europe, whose talent for winning elections, it will be remembered, was not matched by zeal for holding them.



### Woolly dream

Looking for the ultimate escape from Big Bang? A wool agent in Yorkshire is doubling up as an estate agent for a Falklands farmer who wants to return to the British Isles. He is offering for sale a 9,000-acre farm on Keppel Island and two adjacent islets, just north-west of the Falklands, complete with two houses, 3,000 sheep and 45 cattle — all for £125,000. "We are looking for a self-reliant family who could put up with that kind of life — who could tolerate the isolation," says wool agent Colin Smith. "It could be a dream for somebody."

HIGH spot of the spectacular nine-day Cardiff Searchlight Tattoo in the shadow of Cardiff's ancient castle was the visit by the Duke and Duchess of York, who went directly to the Welsh capital after jetting in from their Canadian tour.

Thousands thronged the arena and adjacent city streets to catch a glimpse of the Royal couple, who were given a tremendous welcome when they made a circuit of the arena accompanied by the General Officer Commanding Wales, Maj Gen Peter de la Billiere.

It was a particularly proud moment for the general, coming at the culmination of his period of command in Wales. He first met Prince Andrew when both were

serving in the 1982 Falklands war.

There was an abundance of military music in the tattoo, with nine full military bands on parade, backing exciting performances by such acts as the Royal Signals White Helmets motor cycle display team, with equally spectacular enactments of an anti-terrorist battle scene, and a splendid musical fantasy, the Battle of Waterloo, supported by a colourful fireworks display.

One of the most impressive music and marching contributions came from the Pipes and Drums of the Scots College of Sydney, Australia. They also took part in the Waterloo tableau, as did all the main bands, including the Fan-

farekorps der Genie - the Military Engineers Band of the Royal Netherlands Army.

This band comes from 's-Hertogenbosch - a Dutch city with a particular fondness for the Welsh, since the 53rd Welsh Division liberated the city in October, 1944 after six days of fierce fighting with German rearguard units.

Nine military bands were joined by six Corps of Drums, and three Corps of Bugles . . . all under the direction of Maj Peter Hannam of the Welsh Guards.



The Duke and Duchess of York with Maj Gen de la Billiere

Youth was at the centre of a good deal of the thrills and excitement in the arena, particularly in the shape of the Joint Services cadets field gun competition, in which youngsters from the Air Training Corps, the Army Cadets and the Sea Cadets took part.

The tattoo culminated in a breathtaking finale, with the massed bands giving a rousing flourish to a spectacle of pageantry and music in which all 800 participants in the tattoo joined voices with thousands of spectators to sing the evening

hymn and the National Anthem.

Organising producer of the Cardiff Searchlight Tattoo was Maj Aubrey Jackman, who has produced 89 similar military events since he became involved in military showbusiness.

Administration and support fell to the 3rd Battalion, The Light Infantry, who also provided two arena displays. Music was provided by The Massed Bands of the Light Division, consisting of The Light Infantry Coronna Band; The Normandy Band of The Royal Greenjackets; the Bugles of the 3rd Battalion, The Light Infantry, and the Bugles of the 2nd Battalion, The Royal Greenjackets.

Mail on Sunday  
6 September 1987

Alfonso party faces  
Peronist challenge

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The Times  
5 September 1987

## Milestone for democracy in Argentina

# Alfonsín party faces Peronist challenge in vital election test

From Eduardo Cué, Buenos Aires

More than 19 million Argentinians vote tomorrow in crucial legislative and provincial elections that are likely to determine the direction of President Alfonsín's Government for the next two years and set the stage for the 1989 presidential campaign.

The polls — for half of the 254-member Chamber of Deputies, the governorships of the country's 22 provinces, and hundreds of local posts — are also important psychologically. Democratically elected governors have not been able to complete their four-year terms of office since 1962 because of a succession of military coups. So the fact that the election is taking place is seen here as an important element in consolidating the country's fragile democracy.

The President said in a nationally televised speech on Thursday night: "September 6 exists because we have fought for it and obtained it together. I think that we should not forget that we have struggled to attain what we have."

Señor Alfonsín, by appearing in a broadcast three days before the vote, in effect confirmed that, although he is not up for re-election, he played a central role in the campaign. While the President did not appear at rallies during the long campaign, and refrained from endorsing any candidate or party on Thursday night, he defended his administration's record and implied that it merited a vote of confidence.

The stakes are enormous for both the Government and Peronist opposition.

Both parties channelled their efforts on the battle for the governorship of Buenos Aires province, where Argentina's population, industrial, financial and political power are concentrated. If the Peronists can take the province from Radical control, they will receive a boost for the 1989 presidential campaign and be in a strong position to challenge Señor Alfonsín's Government on key issues. In addition, the divided Peronists would almost certainly rally around their victorious candidate, Señor Antonio Cafiero, in the race for the presidency.

One foreign observer remarked that if Señor Cafiero could win, the direction of the 1989 election would be determined, with the reformist wing of the Peronists taking an unassailable hold on the party.

Yet despite the massive television publicity for Señor Cafiero and Señor Juan Manuel Casella, his Radical opponent, public opinion polls show the two are only 1.5 per cent apart, with more than 30 per cent of the electorate apparently undecided just days before the vote.

In the other provinces, the Peronists appear more fragile than the Radicals, if only because they now control 12 governorships to seven for the government party, with three others held by provincial parties. The Peronists are ex-

pected to lose four provinces, and the Radicals at least one.

In Tucumán province, the governorship race has been marked by controversy over the candidacy of Señor Antonio Domingo Bussi, who is accused of human rights violations when he was military governor of the province during the 1976-1983 military dictatorship.

In the Chamber of Deputies, the balance of power between Radicals and Peronists is not expected to change substantially, although the Government is likely to lose its slim two-vote absolute majority. Nevertheless, there will be many new faces in Congress, because only 29 of the 127 deputies to be chosen are standing for re-election.

The Union of the Democratic Centre party, which backs economic programmes such as privatization, is hoping to increase its representation in Congress from three to four seats.

Because voters who are disillusioned with the Radical Government are likely to vote for the Centre, the number of votes the party receives will be an important measurement of the electorate's discontent with mainstream politicians.

Whatever the outcome in the lower House of Congress, the Government will have to make alliances if it is to see its programmes become law.

This is especially true for constitutional reform, an issue likely to dominate the political

debate during the next two years. The Radicals are intent on rewriting the Constitution to allow the re-election of the President and to create the post of Prime Minister, which could keep Señor Alfonsín in power after 1989.

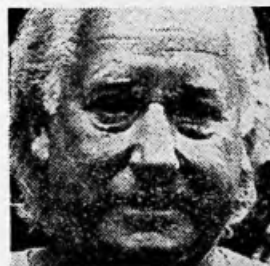
The poll results are also likely to determine the future of Señor Carlos Alderete, the Peronist Labour Minister, whose relations with Señor Juan Sourrouille, the Economy Minister, have been turbulent at best.

DAILY STAR : Saturday 5 September 1987

# PRIVATES ON PARADE

NAUGHTY  
BITS ARE  
IN THE  
STAR!

## A cheeky major's shocker!



The major... nicked

**A MAJOR has been hauled before a court... for revealing his privates.**

Cheeky Ronnie Spafford, 59, was nicked sunbathing in the buff.

A young mum was gob-smacked at the sight of his bare bum on a beach and reported him to "Bikini Patrol" police.

The naturist major's all-over tan cost him a year's conditional discharge from magistrates at Burnham-on-Sea, Somerset, for indecent exposure—at nearby Berrow.

Yesterday he said: "I've been a naturist all my life but it's still damn embarrassing.

"Most of my friends know but those people who don't, might not understand."

### Stripping

"I won't be going back to Berrow again.

"The dunes there used to be a nudist beach widely advertised in naturist handbooks all over the world but the council banned it last year.

"I've got a conditional discharge hanging over my head now and there are plenty of beaches here and abroad where it is allowed."

The army veteran, of Weston-super-Mare, Avon, is an international expert on Falkland Island stamps.

As for stripping off there—it's too chilly and you can pick up a nasty nip from a penguin.

4 SEP 1987

The London Standard  
4 September 1987

# Nude major loses a beach skirmish

**COMMITTED** naturist Ronald Spafford remained unabashed today after a court was told of his passion for nude sunbathing.

The 59-year-old retired major upset other beach users when he was spotted wearing nothing but his birthday suit at Berrow in Somerset.

A mother who was with her two young children reported the major to the police. Officers moved in and arrested him for indecent exposure.

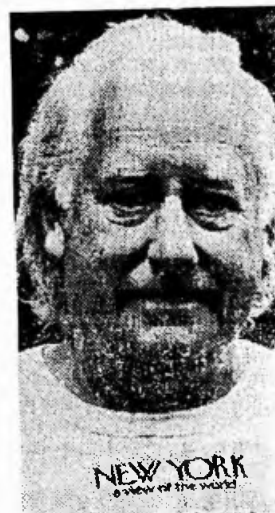
The life-long naturist was given a conditional discharge by magistrates in Burnham-on-Sea after he admitted annoying other people on the sands by "wilfully and indecently exposing his person."

But Major Spafford, of Weston-super-Mare, who has spent years fighting to get the Falkland Islands a better deal from the British Government, remained unabashed.

"I don't make any secret of the fact that I sunbathe nude, and to me it is perfectly normal.

"I am a member of the Central Council of British Naturists and don't feel I have anything to be ashamed of. I try not to flaunt it because it supsets some people, but I feel it is natural.

"Obviously, I am embarrassed about the publicity, but I think many people have the wrong idea about us. It is nothing very peculiar.



Major Ronald Spafford ..  
clothed version.

"I will continue to sunbathe nude, although I won't be going back to that particular beach again."



## Proposals on Falklands to be conveyed to London

BY TIM COONE IN BUENOS AIRES

MR GEORGE FOULKES, the British Labour Party front-bench spokesman on foreign affairs, will pass on "at least two new proposals" on the Falkland Islands from the Argentinian Government to the British Government following a visit to Buenos Aires this week.

Mr Foulkes met the Argentine deputy foreign minister, Mr Jorge Sabato, and other senior foreign ministry officials.

In private, senior Argentine officials admit that the unresolved sovereignty dispute with the UK over the islands is hindering its

relations in other spheres, especially economic ones.

Mr Foulkes said that during his meetings "the word sovereignty was barely mentioned."

The proposals Mr Foulkes will take to Sir Geoffrey Howe, the Foreign Secretary, may include an arrangement to share policing duties and licensing responsibilities in the fisheries around the islands up to the 200-mile limit of the economic exclusion zone, and for British approval to be granted for an Argentine family to settle on the Falkland Islands. In return trade restrictions with Britain would be lifted.

## Extract from United Nations Information News Summary 3.9.87

## DECOLONIZATION COMMITTEE CONCLUDES ITS WORK FOR THE YEAR

The Special Committee on decolonization concluded its work for the year on 14 August by affirming the inalienable right of the people of New Caledonia to self-determination and independence in conformity with the 1960 Declaration on the Granting of Independence to Colonial Countries and Peoples. The Committee called on the Government of France to resume dialogue with all sections of the population of New Caledonia to facilitate rapid progress towards such an act of self-determination.

The Special Committee also urged the Governments of Argentina and the United Kingdom to resume negotiations in order to find a peaceful solution to the sovereignty dispute over the Falkland Islands (Malvinas) as soon as possible.

# Peron's spectre haunts Argentine Radicals

From Jeremy Morgan

In Buenos Aires Argentina's election campaign has ended amid suspicions about the long-term aims of the two big parties less than four years after the military handed over power.

Electoral rules banning political activity until Sunday's congressional and gubernatorial elections come into force today with both the ruling Radical Party and the opposition Peronist mass movement under suspicion of seeking a return to authoritarian rule.

The Peronists insist they have cleaned up their act after a year of "renovation". But the old faces are still at the top, still embroiled in personal rivalries and factional feuding, and still dominated by the rightwing cabals who reign over Argentina's labour unions. They cannot shake off an authoritarian image.

Doubts also surround President Raul Alfonsín's Radicals after a lacklustre campaign in which they pulled most punches — though a majority of just two in the lower house of Congress, where half the 254 seats are at stake, gave them everything to fight for.

**Suspicion grows over the plans of President Alfonsín (right) as crucial elections approach**



is frequently interrupted by rambling excerpts from the President's latest speech.

The Government is as secretive as the military. Information is restricted to tame Argentine journalists. Spokesmen are normally unavailable, the President has held two press conferences since taking office.

Observers detect signs the Radicals are drifting from the pluralism urged by President Alfonsín. Attention focuses on Mr Enrique Nosiglia, a shadowy Alfonsín aide who controls the party machine in the capital and, it would seem, a great deal else besides. Mr Nosiglia is thought to be behind government overtures to Peronist union barons this year, including a deal with one group of leaders and the choice of another, Mr Carlos Alderete, as Labour Minister a few months ago.

Political sources say Radical populists are obsessed with regaining the lower middle class and blue collar votes they lost to Peron two generations ago.

The theory is Peronist labour chiefs will follow the habit of a lifetime and gravitate towards power if sufficient persuasion and patronage comes their way.

For President Alfonsín, such deals have not been productive. They did not prevent strikes crippling public services a week ago, Mr Alderete looks like a Trojan horse inside the Cabinet, and the approach to union barons undermines the Radicals' credibility as the only alternative to Peronism's working class muscle.

Strenuous denials of a possible coalition with the Peronists after Sunday's vote have not been matched by any willingness to take the battle to the opposition. There have only been fleeting flashes of steel from the Radicals throughout the campaign. Instead, a limp campaign has seen the parties talking at and sometimes vaguely about each other in an oblique code.

It is not just that Argentine politics has been Americanised into the television age less than 35 months after the return to democracy. It is as if, by tacit agreement, Argentina's problems are unresolved and are not to be discussed to avoid mutual damage while greater developments are afoot.

# Memorial Services

## FITZROY



IT WAS a cold, windswept, bleak and wet morning at Fitzroy on 8th June this year, when a small congregation assembled to pay their respects at the RFA Memorial to those who died in the attack on RFA *Sir Galahad* and RFA *Sir Tristram* five years ago.

Led by His Excellency the Governor, Mr Gordon Jewkes, and the Commander of the British Forces, Rear Admiral C. H. Layman LVO DSO, a simple and poignant service was conducted by the Dean of Stanley Cathedral, Canon G. Murphy, assisted by the Force Chaplain, Reverend A. Willis RAF.

During the service, in which lamentations were played by a Piper from the Royal Irish Rangers, the Governor laid a wreath on behalf of the people of the Falkland Islands. Further wreaths were laid by Admiral Layman on behalf of the British Forces, Commander Norman AFC on behalf of Captain Chris Smith QGM and crew of RFA *Sir Lancelot*, and 2/O S. P. Jones (a *Sir Tristram* survivor) laid a wreath on behalf of the RFA Management and Fleet. A wreath was also placed on behalf of the Royal Corps of Transport and several tributes were laid by residents of the Fitzroy settlement.

The service was attended by representatives from HQ FI, many of whom were involved in the conflict, the ship's company of RFA *Green Rover* and a large number of residents from Fitzroy. The memorial service was arranged by *Green Rover* and sponsored by HQ BFFI who provided the 24 seat Bristows helicopter used for the occasion.

Following the service at the RFA memorial the company moved around the Cove for a wreath-laying ceremony at the Welsh Guards Memorial where the Force Chaplain conducted a short service in Welsh.

After this simple yet moving ceremony we were able to meet the Fitzroy residents before the HQ BFFI and RFA party re-embarked for the return flight to Mount Pleasant Airport. The group then moved to *Green Rover*, berthed alongside at East Cove Military Port for a buffet lunch.

Captain John Roddis RFA

## MARCHWOOD

A MEMORIAL service to commemorate those members of the Royal Fleet Auxiliary Service who lost their lives in the Falkland Islands in 1982 was held at the Church of St John the Apostle, Marchwood on Sunday 7 June at 12 noon. A total of five wreaths were laid on behalf of the British and Chinese relatives, the Fleet, RFA HQ and 17 Port Regiment Royal Corps of Transport.

Sentinels and a military escort for the wreaths from the church to the memorial were provided by 17 Port Regiment. RFA cadets from Warsash acted as the ensign and wreath bearers. A short address was given by the Reverend J. D. Curtis, vicar of Marchwood and officiating chaplain to 17 Port Regiment RCT following the lesson read by Commodore B. H. Rutterford RFA. The names of the deceased were read by Captain A. F. Pitt DSC RFA.

It is intended that the Service will be held annually and the provisional date for next year is 12 June.

I/O David Shennan



Cadet Peter Broad

Wreaths, led by the RCT, are taken from church to the memorial.

## South Atlantic Reunions

TO MARK the fifth anniversary of the South Atlantic campaign a number of reunions were held in May and June. On 22 May the Royal Marines held their annual San Carlos Dinner at Stonehouse which is attended by a growing number of RFA officers.

On 6 June a *Sir Galahad* re-union was held in Plymouth and on 13 June a *Sir Percivale* re-union dinner, arranged by officers who served on the ship in 1982, was held at Byams House, Marchwood. The celebrations in *Sir*



*Percivale's* case allowed both officers and wives to meet again along with a number of military personnel who sailed with the ship.

Above: Officers, wives and military representatives at the *SIR PERCIVALE* reunion.

Corporal Gear

# Research ship sold to Marr

THE WEST German fisheries ministry's research ship the *Anton Dohrn* has been bought by British owners and will become the largest vessel in the fleet of scientific, exploratory and special purpose ships operated out of Hull.

J. Marr (Shipping) Ltd. has bought the 83 metre long and 1940 grt *Anton Dohrn*, and the company also owns another specialised fishery research ship, the *G.A. Reay*.

She was bought from the British fisheries ministry and is currently on charter to the Falkland Islands government, but the company does not regard the German ship as a direct replacement.

Marr Shipping director, Jim Hind, said: "Although bigger than our established class of vessel, we see a wide range of possibilities for the *Anton Dohrn*. She has been exceptionally well maintained, is superbly equipped

and will readily adapt to a variety of scientific and exploratory roles, as well as fishery research."

Built by AG "Weser" Seebeckwerft at Bremerhaven and registered in Hamburg, the *Anton Dohrn* has operated in the South Atlantic and Antarctic — both areas of interests for Marr — as well as northern and Arctic waters.

The diesel electric ship is fitted for most types of fishing and has a freezing at sea plant plus refrigerated storage as well as a fresh fish hold. She has a comprehensive range of electronic navigation, fishfinding, sounding and other instrumentation and, also, lavishly equipped workshops, laboratories and a hospital.

● A new trawler/jigger for year-round operation off the Falklands (see *FNI*, August issue) is likely to be ordered by Marr (Falklands) Ltd, a company jointly owned by J. Marr Ltd. and Andrew Marr International.

## Argentine links

CONTACTS have been made between UK and Argentina officials in an attempt to avoid clashes around the 150-mile fishery zone in the Falklands.

Both the British and Argentine governments wish to prevent disputes along the border of the zone where foreign fishing fleets, including 16 Spanish trawlers, have been finding valuable squid stocks.

The US State Department is delivering messages to the Argentinians from the UK, the content of which is being kept secret. Any understanding between the two coun-

tries would be the first since the Falklands war in 1982.

There is some indication that the Falklands have changed their attitude towards Argentina.

An Islands councillor, Tony Blake, called for "greater autonomy" for the Falklands during a recent speech to the United Nations.

Islanders are keen to capitalise on their new income from fishing licences.

## Venture firm deciding plans

ASSOCIATED Fisheries of London, which operates the Falkland Islands-based joint venture company Stancal with Stanley Fisheries Ltd, is at present assessing investment possibilities in the islands.

Four licences were granted to the company for the first season's fishing and a venture was established with four Taiwanese jigging vessels.

"They fished very well indeed," Stewart Harper of AF's company Caley International told *FNI* and the vessels remained on the grounds all season, most of their catches going for the Taiwan market.

The operation was carried out with the Spanish com-

pany Aliko of La Coruna as partners and this international squid trader bought supplies from the Falklands for the European market.

Mr. Harper is expecting the joint venture company to take part in the fishing during the next high season starting in January 1988 but was unable to find a partner to operate off the Falklands during the present season for trawlers only on loligo squid.

## Falklands fuel deal signed

FISHING vessels are to be the main customers of a new fuel bunkering operation to be set up in the Falkland Islands.

A contract signed last month is expected to see fuel oil sales of up to £30 million a year in the islands being made by Stanley Services, a company being formed by the Hogg Robinson group of London, the Orkney, Scotland, based fuel oil supplier S & J D Robertson; and Falklands-based Stanley Fuels Ltd.

Tom Swales, who is travelling to the Falkland Islands to set-up the venture

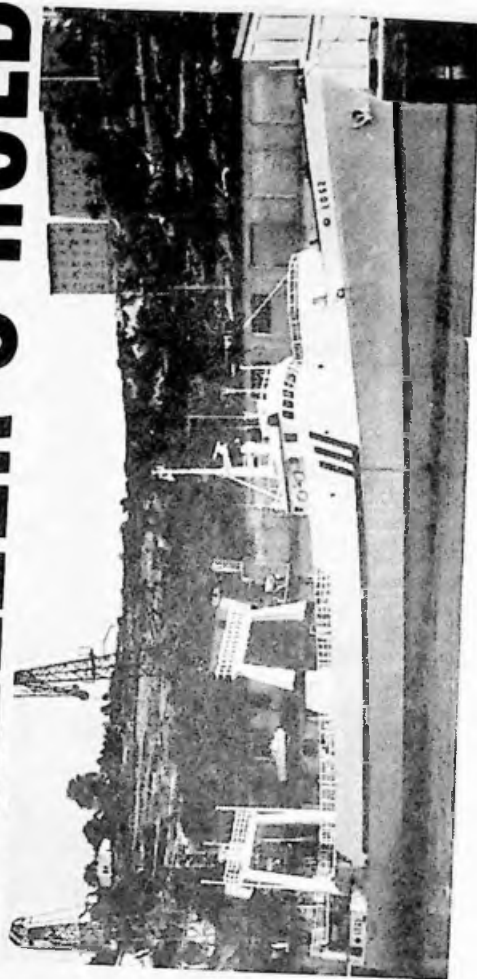
told *FNI*: "It is early days yet, but we will be starting on an offshore basis."

It is envisaged that a tanker will initially be moored to supply the fuel and Mr. Swales says that a shore depot is likely to be built.

The fishing industry will also be able to take advantage of a freight forwarding and agency service also due to be established.



# SPAIN DOUBLES UK FREEZER'S HOLD



The 66 metre long freezer trawler *Celtic Sea* before (above left) and after (above) her conversion in Spain to fish off the Falkland Islands.

A GERMAN-built cod freezer trawler has had her frozen fish hold capacity almost doubled in a major refit at a Spanish yard for her UK-based owning company to fish her off the Falklands.

She is the *Celtic Sea* operated by Baomar UK, a 66 metre long ship built in 1966 and of 700 gross tons. The conversion of the Deutz 2000 hp at 275 rpm powered ship has been carried out at the Astilleros Ascorreta SA yard at Pasajes, Spain.

She was handed back to her owners in August after trials to prove her new equipment and to satisfy the UK authorities that she meets the standards for registration in Britain.

The London-registered *Celtic Sea* has spent six months under conversion and her frozen hold was increased from 525 to 1000 cu metres. Her freezing capacity was raised to 50 tons a day.

The ship's fuel tanks were also enlarged from 350 tons to 750 tons so that she can undertake trips of up to six months.

The *Celtic Sea* has been transformed in a shelterdeck stern trawler following the removal of her bridge and her covered deck area has been increased from 180 cu metres to 360 cu metres.

Her conversion has equipped her for operation in the roughest waters and her fish processing lines have been improved with the installation of new equipment. On deck, two large trawling gantries have been installed.

Her electric system has been replaced and all her main engine and other services have been overhauled ready for her to take on her new trawling role. She now complies with the latest Lloyd's requirement's.



# UK grants more freezer licences

THREE British fishing companies have been awarded freezer trawler licences following a review of the catching power of the UK pelagic fleet in relation to the stocks available.

With licences for purse seiners which can be changed into freezer licences being sold for up to £350,000 each, the companies which have been awarded the licences are especially lucky.

Fisheries minister John Gummer said: "Fisheries ministers have now carefully considered the 34 applications received from 29 applicants for the available licences taking into account all relevant factors, including

the previous record of interest in the pelagic fisheries of the applicants, and the intended vessels, likely contribution to the improved uptake and marketing of the UK quotas of mackerel and herring."

Ministers decided that the interests of the UK would best be served if one freezer licence was granted to the companies Boyd Line Management Services Ltd of Hull; Associated Fisheries PLC of London; and the

Lunar Fishing Co of Peterhead.

Boyd Line invested in large freezer trawlers, but they were sold as UK fishing conditions deteriorated. However, the company recently came back into freezing at sea with a former Farose factory trawler and is working with Witte to develop the finfish fisheries around the Falkland Islands. The aim is to establish a year-round fishery.

Associated Fisheries, which also has a joint venture in the Falklands, formerly operated the giant British United Trawlers fleet,

but these vessels were sold or decommissioned as the company pulled out of fishing. AF has major processing sector interests and is very active in vessel management, also in the klondyking of pelagic species caught by Scottish vessels.

The Lunar Fishing Co of Peterhead is operated by the Buchan family who are purse seine fishermen. Their latest delivery is the *Lunar Bow* from Norway and freezing catches at sea would be a new departure for both the company and the port of Peterhead if this licence is taken up.

# USSR claims new krill process

NEW opportunities for the food industry in the USSR may be created through the development of physical and chemical method for processing Antarctic krill.

Reports from the Soviet Academy of Sciences admits that until recently the character of krill made the solubility of muscle proteins in the meat of the tiny crustaceans, which have frustrated many attempts to process them economically into usable products.

But he claims that it can now be done and that this will make available a large supply of quality protein which could replace 30 to 50 per cent of the animal meat in products such as sausages.

Professor Sergey Rogozhin of the Institute of Elementary Organic Compounds of the USSR

# Too late for squid

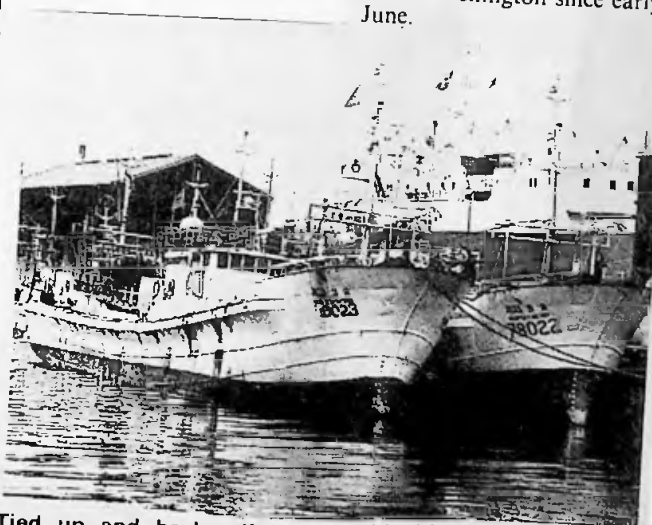
WHILE it is usual in the summer months to see a number of foreign squid jiggers in New Zealand ports, visitors to Wellington harbour in July were suprised to see four of them tied up. And they had been there since the end of May, with their crews unpaid and dependent on local charities.

Two of the vessels belong to the South Korean company Sam Wah — the *Seung 35* and *36*. Two others, the *Dong Chang 3* and *Korei 163*, were owned by another Korean firm, not named by its NZ agent.

Normally, the New Zealand squid fishing season ends in April, although it sometimes runs into May.

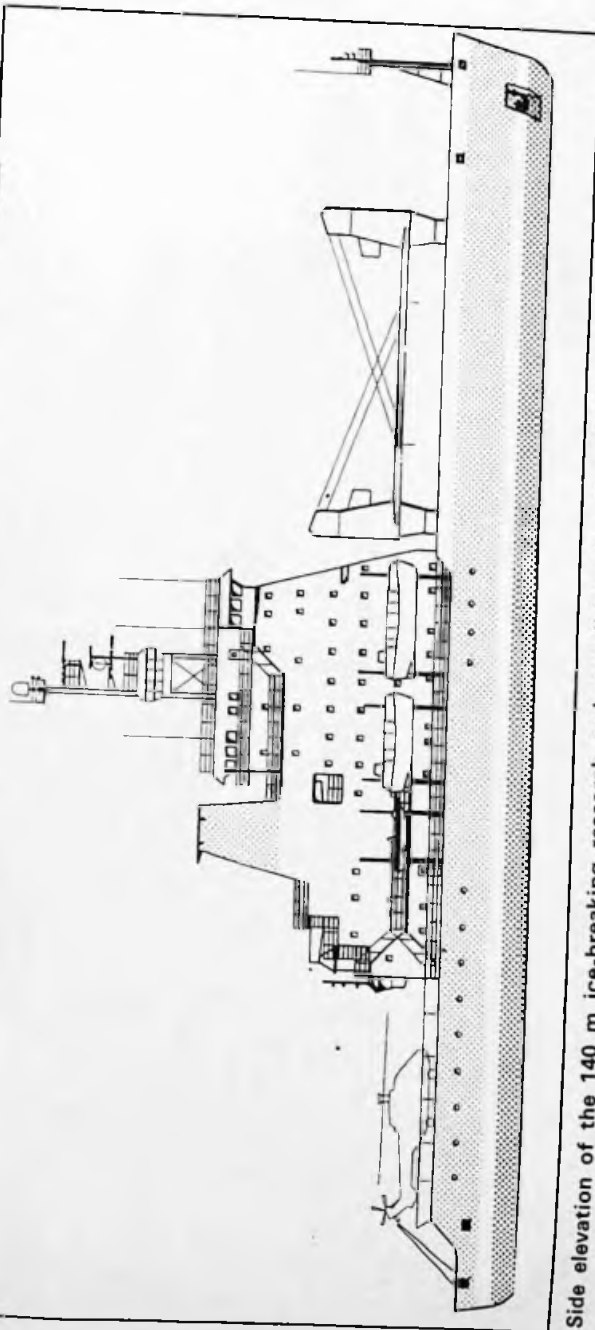
Apparently some vessels left Korea in early April, far too late for profitable squid fishing in NZ waters, with the reported intention of evaluating prospects for the next season.

One vessel took ten tons of fish, and they have been idle in Wellington since early June.



Tied up and broke. Korean squid ships in Wellington harbour.

# Research and expedition



Side elevation of the 140 m ice-breaking research and expedition ship. The 20,000 hp vessel will be capable of withstanding permanent ice and will carry out a wide range of research work in her laboratories.

## ship builds for Russia

**THE SOVIET UNION** has re-affirmed its commitment to exploring Antarctica with the construction of a 140 metre long ice-breaking research and expedition vessel. The order was placed by V/O Sudoimport with Finland's Rauma-Repola shipbuilding group and the ice-breaking ship is due for delivery in one year's time.

The 20,000 hp multi-purpose passenger-cargo ship, which will be equipped with laboratory facilities to sample the oceans and investigate the weather, is to be used to service the Soviet Union's seven Antarctic bases. She is designed to withstand permanent ice and will sail with 250 crew and

research personnel, including 160 relief workers travelling to their research bases.

There will be ten laboratories aboard to carry out studies of the temperature and salinity of the water, sea currents, sea life and wave motion.

Research results will be analysed in the ship's computer system and specimens for the laboratories will be



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obtained by an oceanographic winch for lowering down to six kilometres.

The seabed up to a depth of 10 kilometres can be recorded by echo sounders and weather balloons will be released to a height of 25 kilometres.

The ship will have a helicopter landing deck and her own helicopter. She will carry supplies such as aircraft, vehicles and containers in her holds and will also be fitted with tanks to supply the bases with fuel and lub-

ricating oils. Food will be held in deep freeze, while dangerous gases and acids will be carried in a special compartment.

Rauma-Repola, which is at present building three crab and fish factory ships for the Soviet Union at a cost of £170 m (see *FNI* July 87 issue), will equip the ship for landing on harbourless shores. Facilities will include long-reach cranes and two heavy landing vessels to transport goods ashore.

Tractors will be used to

move supplies across the ice, including fuel for meteorological rockets, and her total payload will be large enough to supply the Antarctic bases for a whole year.

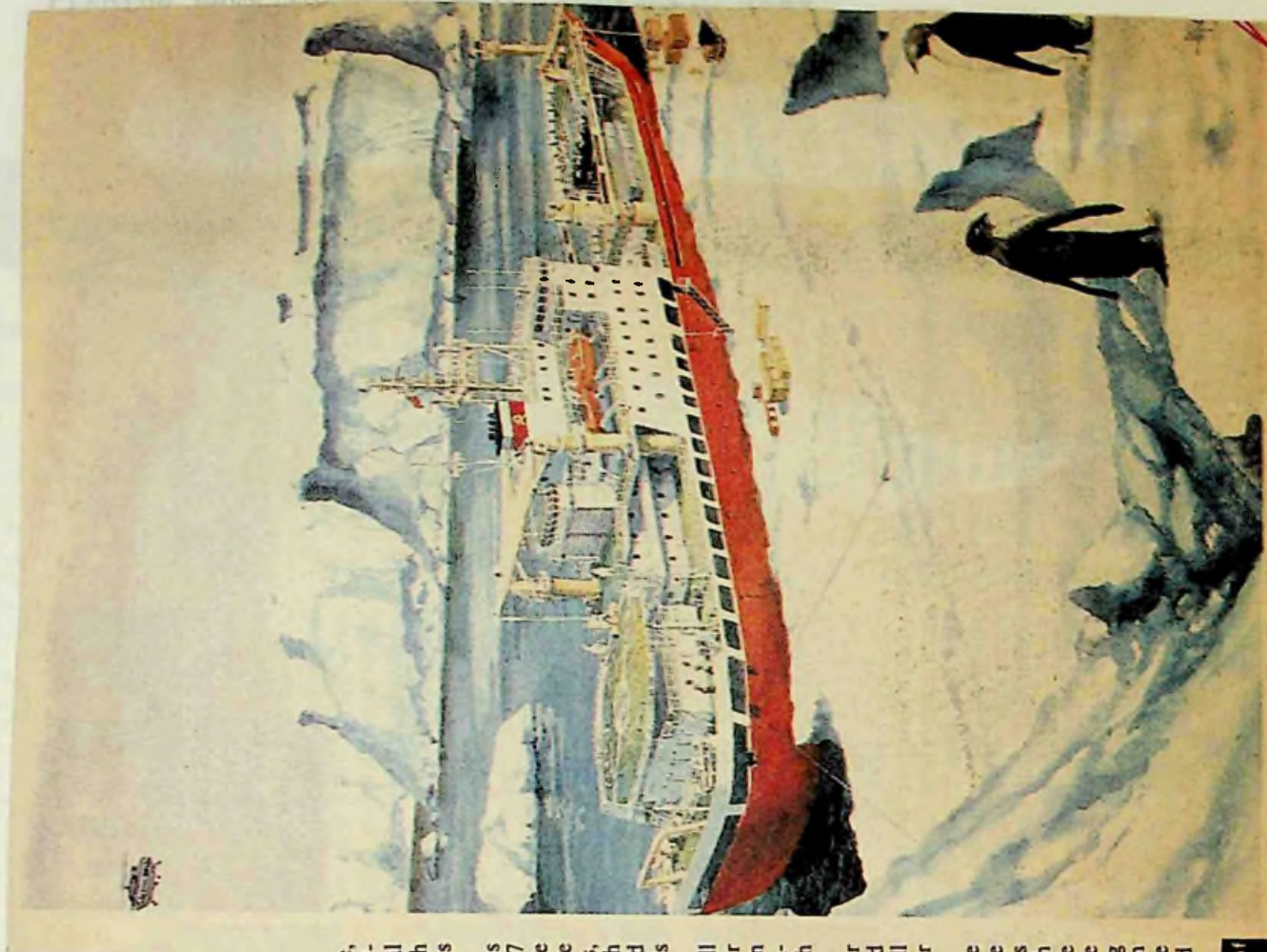
The 7600 ton vessel was launched on February 27 this year, the same day the first keel was laid for the floating crab factory ships, and she is being fitted with the yard's Shipa automated systems to control the ship's vital operating functions.

The Soviet Union will supply the electric motor for her diesel-electric propulsion plant, also various navigation, computer and research equipment.

Total power from her four main diesels is to be around 20,000 hp and the ship will have a 5 metre diameter propeller weighing 40 tons.

The ship's hull will be the strongest ever built by the Rauma Shipyard as it has been designed to cut a path through one metre thick ice at a speed of two knots. She will break the ice by riding up on it and an ice-knife in her stem will prevent the hull from rising up and remaining on the ice.

An artist's impression of the finished vessel



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# Joint ventures Trawler of 6000 hp to join UK fleet

**THE MOST** powerful fishing vessel in the UK fleet has been ordered from Norway by owners in Northern Ireland. She is a 75 metre long and 6000 hp purse seiner and trawler and will have a frozen hold and RSW tanks.

The ship is a similar length to the UK's longest fishing vessel — the *Fishing Explorer* — which joined the fleet earlier this year from Chile to fish the Falkland Islands. However, her engine power is only 2000 hp.

The new ship has been ordered by Ulster Ltd. of Belfast to a new design by Vik and Sandvik of Fitjar, Norway. The building contract has been placed with the Th. Hellesoy Skipsbyggeri shipyard at Lofallstrand, Norway.

This yard has recently delivered the Shetland-based purse seiner and trawler *Altaire* (see Page 69) for Skipper John Peter Duncan and his ten partners and is also building a 90 metre long freezer trawler and factory ship for Irish owner Kevin McHugh.

Skipper McHugh is a resident of Southern Ireland, while the skipper and engineer of the latest ship to be ordered — Ian Buchan and Ian Ross — are from Northern Ireland.

The owners Ulster Ltd. are part of Richard Donnan (Enterprises) Ltd. of Co. Down. Boss Rick Donnan said that the ship will supply the company's pelagic fish

processing plant at Whitehaven, Cumberland, in the north of England.

"We can't get enough frozen fish to keep us going all year round," he told *FNI*.

Their ship (see profile drawing on opposite page) is due for delivery on August 15 next year and is to be powered by a 6000 hp Wärtsilä type 12V32 main engine driving a gear by Volda to a Wichmann propeller in a nozzle.

She will be constructed to a new design by Vik and Sandvik which has been tested in Trondheim, Norway, at the Marintek ship model tank and her speed has been calculated at 17 knots in ballast and 15.5 knots loaded.

Her frozen and RSW catch holding capacity will total 2400 cu. m and her main dimensions will be: length overall 74.6 m, length between perpendiculars 65.8 m, breadth 13.6 m and depth to first deck 10.6 m.

The ship's freezing plant will be supplied by Kvaerner Kulde. Her trawl and winch gear is to be supplied by Hydraulik Brattvaag and her



Ian Buchan and Ian Ross of Northern Ireland will be skipper and engineer of the most powerful vessel in the UK fishing fleet.

seine equipment by Bjørshol. The trawl winches will have a 50 tons pull.

The UK government has just approved a new grants scheme under EEC rules to assist UK owners buy new fishing vessels and aid for pursers is being made available following the ending of a ban on support for this type of vessel brought in when the herring stocks got into trouble.

However, a maximum grant of £250,000 has been applied to each vessel assisted and a new clause in

the scheme precludes this vessel.

The Sea Fish Industry Authority, based in Edinburgh, Scotland, which administers the grant scheme on behalf of the UK government, told *FNI* the new rules state: "No grant shall be paid in respect of expenditure incurred in the acquisition of a vessel or part of a vessel constructed, or the improvement of a vessel, carried out elsewhere than in a member state (of the EEC)."

Finance for the ship was arranged in Norway.

Stanley Fisheries Ltd. will its partners are investing in a variety of developments. These include buying and chartering squid boats and trawlers, developing joint and banking services, plus wild stock and fish processing operations.

Developments in finance have been so rapid that

# ***Joint ventures get priority***

**NINE** joint venture companies have now been formed in the Falkland Islands to tap the resources inside the islands' 150-mile fishing zone. The countries involved include Taiwan, Spain and the UK.

All the joint ventures have been established with Falkland's-based Stanley Fisheries Ltd. holding a 51 per cent interest and these companies are being given preference in the twice-yearly licensing round for vessel fishing rights.

The aim is to build up a local fishing industry even though crews are coming in from outside the islands and there is at present little expertise. It is hoped the next generation of Falkland Islanders will look to the sea.

A scientific assessment of the first licensed high season's fishing is now being carried out in London by Dr. John Beddington's Marine Resources Assessment Group and Gordon



Gordon Jewkes, governor of the Falkland Islands and chairman of the Falkland Islands Development Corporation, is anxious to ensure a long-term future for the islands' new fishing industry.

Jewkes, governor of the Falkland Islands, told *FNI* that the figures would be released shortly. However, the governor said that there is "still caution" on the loligo squid stock.

Discussing the next high season due to start in January 1988, the governor said that the final details of licensing arrangements and fees are still being worked out. However, he went on:

"I would be very disappointed if the next season did not look similar to the one just passed."

Revenue from fisheries has increased and the development corporation is now cutting back on spending public funds to expand fisheries as the private sector makes investments. The development corporation cut its spending on fisheries projects from £497,785 in 1985 to £310,343 in 1986.

The policy of the Falklands government is "geared to conservation and the long term future of fishing," said Mr. Jewkes.

## **Potential**

"There is greater potential in the fishing industry than has been realised — especially in finfish," he told *FNI*. The aim now is to ensure that a year-round fishery is established and a study of the parasite problem in hake is to be carried out as finfish stocks are assessed. However, Mr. Jewkes was unable to give any hint of the size of future finfish catches.

The 1986 report and accounts of the Falkland Islands Development Corporation highlights the activities of Stanley fisheries Ltd., the corporation's fisheries arm, and its joint venture partners in the establishment of this new industry.

Stanley Fisheries Ltd. and its partners are investing in a variety of developments. These include buying and chartering squid jiggers and trawlers, developing port and bunkering facilities, plus cold store and fish processing operations.

Developments in fisheries have been so rapid that



Stanley Fisheries is becoming one of the largest trading ventures in the islands.

The development corporation states in its report for 1986: "It was decided by the Falkland Islands Government that preferences in allocation of licences to fish in the new zone would be given to companies prepared to enter into a joint venture with Stanley Fisheries Ltd. (SFL). Such was the demand for licences that a large number of companies asked to form joint ventures.

"The joint ventures are controlled by SFL, which

has 51 per cent of the shares, but are funded by the fishing company. The fishing company pays not just a fishing licence, but another sum equal to and on top of the licence fee to secure the joint venture agreement.

"The sums contributed to the joint venture add up to a very substantial amount running into several million pounds. The aim is that SFI and its partner should jointly invest the monies in fisheries developments.

"In most instances the joint venture partners are

British fishing companies. The British fishing industry has taken a severe pounding over the last few decades and they do not have the vessels to fish directly.

"They in turn, therefore, are chartering vessels from Japan, Korea and Taiwan. We are jointly putting British personnel on to some of the vessels to learn the highly specialised techniques of squid jigging.

"By linking with British companies in this way, the Falkland Islands are able to make an invaluable contribution to the British eco-

nomy by helping to revitalise its fishing industry.

The nine joint venture companies are: Stancal Ltd.; Falkfish Ltd.; Stanmarr Ltd. (the largest and operated with Marr of Hull, England); Starfish Ltd.; Stankor Ltd.; Australis Fisheries Ltd.; SWB Ltd.; Stancross Ltd.; and Falkspan.

● Fees for fishing and transshipping around the Falklands are estimated at £13m, including £800,000 from the £1500 per operation transshipment tax levied

# Falklands set

...the Falkland Islands government has decided to set up a new fishing company to help to develop the fishing industry in the islands.

The new company, Stanley Fisheries Ltd., will be a joint venture between the Falkland Islands government and a number of British fishing companies.

The company will be responsible for the development of the fishing industry in the islands, including the provision of vessels and equipment.

The company will also be responsible for the marketing of the fish caught in the islands, and for the provision of services to the fishing industry.

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The company will be a joint venture between the Falkland Islands government and a number of British fishing companies.

# Falklands set to start shore expansion

SHORE-based facilities for the fleets fishing around the Falkland Islands could soon expand at Port Stanley.

The Falkland Islands government has put in a six-figure plus bid to buy a floating dock owned by the UK's Ministry of Defence and at present used by the British forces.

If the bid for the dock is successful — and the government hopes to be told shortly — shore-based developments such as cold stores, bunkering facilities and even fish processing factories are likely to follow.

"We've made an offer for it," Gordon Jewkes, governor of the Falkland Islands, told *Fishing News International*.

The dock consists of six inter-linked floating barges which were built at a cost of £25 m in 1983/84 and they have been used for taking on military cargoes for the islands.

Ocean-going ships have been alongside the dock — known as the Falkland Intermediate Port and Storage System — which has a maximum draft of 4.5 m at present. But dredging could increase the depth.

The dock has roll on, roll off facilities, but no cranes.

Mr. Jewkes said it is planned that the government would own the dock and lease it to a subsidiary company of the Falkland Islands Development Corporation, of which he is chairman. The operating firm would be a quasi-commercial company.

The governor told *Fishing*

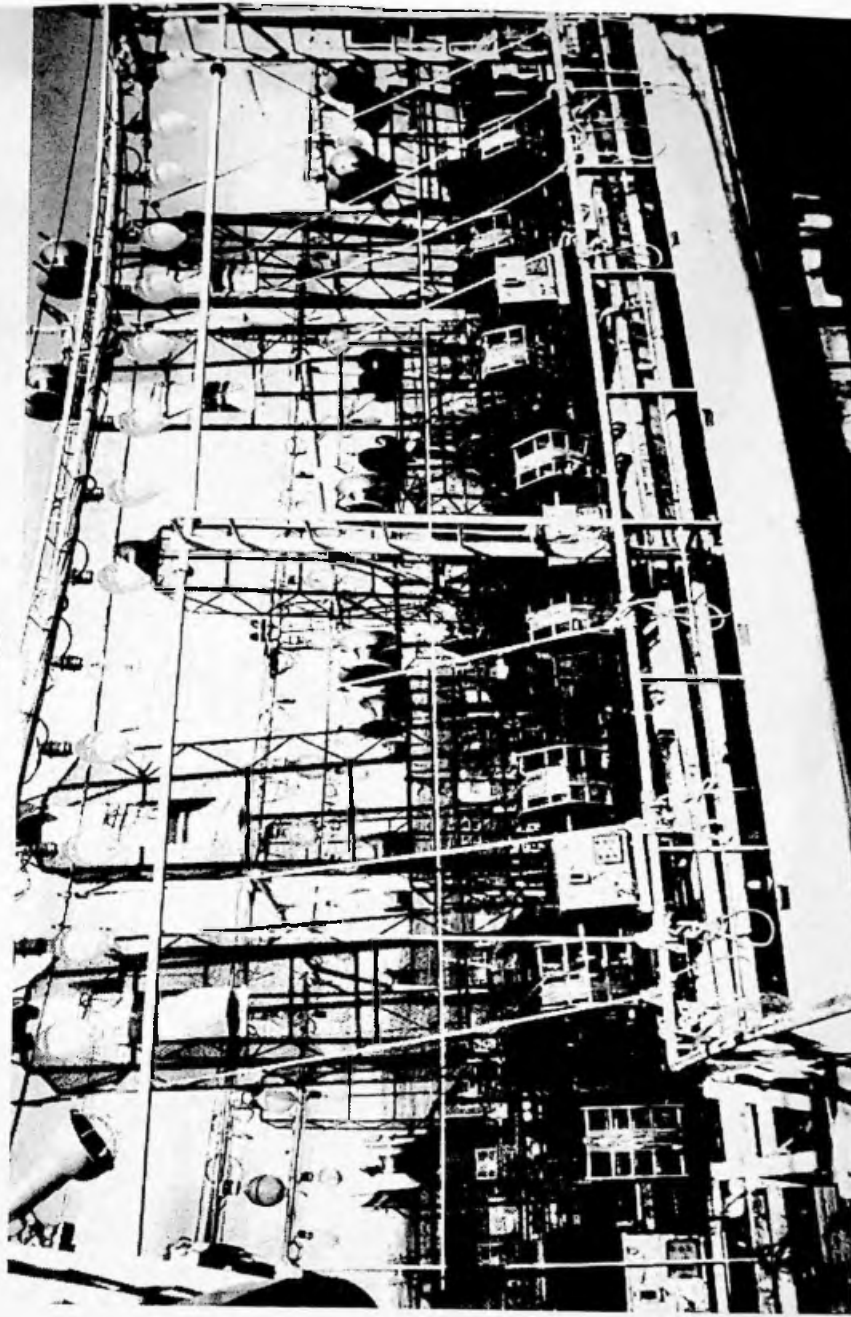
*News International* that he still expects that fish transhipping operations will continue in the outer harbour, but that the dock would be ideal for vessel repair and maintenance and enable the shore infrastructure to be built up.

He is hoping that the dock will be bought and operated by local interests in time for the start of the new high fishing season in 1988.

The islands' two patrol vessels have already used the dock for maintenance work.

Other shore developments planned include a housing estate for workers connected with the developing Falklands fishing industry, which has been responsible for raising the islands' income from £7.5 to £21 million.

Policing of the new 150-mile fishing zone has cost £2.9 m in the first half-year and costs are expected to reach £4 m in the full year. The operating contract for the two patrol ships is being carried out by Marr of Hull, which is running a turnkey operation for the Falkland Islands government. Also, Bristow of Scotland is operating a Dornier 228 patrol plane on behalf of the government.



The mass of lights and reels on a Japanese squid jigger operating off the Falkland Islands.



Taiwanese processing workers working in a ship's freezer at -40 degrees.



Above: transshipping in Berkley Sound. This activity is expected to continue despite the moves to secure docking facilities near Port Stanley. Below: plate frozen squid starts the long journey to the market.



Pictures  
by  
Colin  
George



**Mr Gordon Jewkes CMG**

The 1986 Falkland Islands Development Corporation Report and Accounts were recently published and presented in London by the Corporation's Chairman, His Excellency Gordon Jewkes, CMG, who is also the Islands' Governor. The Chairman's introduction to the report reflected the buoyancy of the Corporation's economy, following the introduction of controlled fishing.

"The events following the declaration of the Falkland Islands Fisheries Interim Conservation and Management Zone (FICZ) in October 1986 have coloured the whole nature of this report as indeed they have changed the whole

## **Falkland Islands Development Corp**

The World Fishing article entitled 'Falklands Update', published in April this year and written by Major R N Spafford, predicted that the Islands' gross national income would quadruple from its previous £6M, as a direct result of introducing licence fees and other fishery-related levies.

economic outlook of the Falkland Islands.

"In the period covered by this report, Stanley Fisheries Ltd had only just been created, but it is already moving into exciting new areas in developments with its joint venture partners. It has purchased a stern trawler to operate under Falkland registration, brought to commercial fruition the inshore fisheries research and will shortly be investing in port and bunkering facilities.

### **Income**

"The Falkland Islands, probably for the first time in its history, has a source of income which should provide a sizeable surplus of income over expenditure for investment in development. Islanders now have the exciting,

but daunting task of deciding for themselves on policies and priorities for investment. Decisions taken now will shape the whole pattern of life in the Islands over the next five to ten years and beyond."

When staff of **World Fishing** met Mr Jewkes in London to discuss the report, he announced that the Islands' budget has increased to about £21.4M, from which the costs of policing the fisheries zone in the first half year, had amounted to £2.9M.

Much of this revenue is already committed and the Islands are still drawing on a £31M grant from the United Kingdom Overseas Development Administration (ODA) to help pay for existing development programmes which include water treatment and distribution systems.

Looking ahead, the government wants to purchase a floating dock which was taken to Port Stanley by the UK Ministry of Defence in 1985 to provide facilities for military and cargo ships. An offer has already been made to the British government, but it will not be known until later this year whether the bid was successful. The floating dock consists of six large interlocked barges which are located just outside Port Stanley, to the north of the town. The dock was constructed at a cost of about £25M in 1983.

### **Infrastructure**

If the bid to acquire the dock is successful, it will form the basis of the Falklands Intermediate Port and Storage System (FIPASS) project, to provide much needed fishery infrastructure including wet docking, fuel bunkering and other facilities for vessels, as well as an onshore infrastructure which will include cold stores in the early stages and, hopefully, processing plants, at a later stage.

It is envisaged that some dredging work would be necessary in order to give

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access to deep-water fishing vessels.

The government also believes that trawler crew changes could be effected via the Mount Pleasant airfield instead of having to use the airport at Montevideo, as presently happens, and that a saving of about £200 000 per year can be achieved in this way.

The Islands' population is also feeling the benefit of its newly-created wealth; a new school and housebuilding programme is regarded as a priority together with a new road system, and efforts are being made to encourage tourists to return. Existing hotels are being modernised and new lodges have been built.

The social infrastructure is already showing signs of expansion and growth in this area is predicted to continue, to cater for the demands of the fishing and tourism industries alike.

Mr Jewkes stressed that the government was looking to establish and maintain a long-term fishery. The Islands do not have a fishing tradition and so it was necessary to call on outside help to estab-

lish the new industry. Stanley Fisheries Ltd (SFL) was thus created to look after joint venture fishing activities, which the Falkland Islands Government prefers to fishing licences.

There are now 13 joint venture companies which are controlled by SFL who own 51 per cent of the shares, but which are funded by the participating fishing companies. (The fishing companies pay a fishing licence and another sum, at least equal to the licence cost, to secure the

development of port and bunkering facilities, cold stores and fish processing facilities.

The sums contributed to the joint ventures add up to a very substantial amount — running into several million pounds — and next year SFL will produce its own annual report and accounts, instead of being included in that of the Falkland Islands Development Corporation.

So far as fish species are concerned, Mr Jewkes felt that it is necessary to further

study of the problem of parasites, which have affected the hake, has already been commissioned.

It is believed that potential scallop, shrimp and crab fisheries exist and a Faroese scalloper has been chartered to test the potential for establishing scallop and shrimp fisheries. The vessel will also engage in commercial fishing activities, when it arrives in the Falklands later this year.

The first Falkland Islands-owned and registered vessel will also arrive later this year. The vessel, formerly called the *Arctic Freebooter*, has been renamed *Lord Shackleton* and she has been purchased by the joint venture company SWB Fisheries (Stanley Fisheries and Witte Boyd of Hull, England). The vessel is currently being refitted at Hull after which she will sail to the Falklands to participate in the loligo fishery.

SWB Fisheries has already undertaken to develop an inshore crab fishery, as a separate part of its joint venture activities (see *World Fishing*, April 1987 p 3) and two British-built vessels will be used in these activities.



The *Arctic Freebooter*, first Falkland-registered vessel

joint ventures.) The aim is that SFL and its partners should jointly invest the monies in fisheries developments, including the charter and purchase of jiggers and trawlers, and

develop the fin fish fishery, which can be exploited all year round. Indigenous species include Argentine hake and whiptail hake and southern blue whiting. A

## Exclusive interview with the General Manager of F.I.D.C.

In a subsequent interview with Mr Simon Armstrong, general manager of FIDC and director of Stanley Fisheries Ltd, World Fishing pursued some of the aspects of infrastructural development. However, Mr Armstrong pointed out that the plans depend very much upon whether the government is successful in its attempt to purchase the floating dock from the UK, since this would form the basis of the development programme. He said that although the dock presently lies in shallow waters, tests have already been conducted and it has been established that dredging work can be undertaken there to permit deep water berthing to be made available.



WF: Will foreign tankers be allowed ad hoc into the EEZ during the next fishing season, as we understand there has previously been a free-for-all attitude to bunker-

ing, with vessels coming from Greece, Japan and everywhere? Is there a preference towards British bunkering companies? Will the existing on-shore bunkers be utilised?

Armstrong: Earlier this year two subsidiary companies, Stanley Services and Stanley Fuels, were established to take control of bunkering operations within a 3-mile zone but other bunker vessels will be permitted to operate beyond the zone. However, they will not be allowed to bunker in Berkeley Sound as they have previously done. The new company (which has been formed with the British



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travel specialist company, Hogg Robinson) will offer bunkering on a joint venture basis with a Shetland-based bunker specialist. The existing shore-based bunkers (one built by the British Royal Navy and the other by Argentina) are of very small capacity and are located in areas where the water is shallow, thus denying access to vessels.

**WF:** How are tender applications handled; can any company request permission to tender for a given project or are there certain criteria determining who qualifies to tender?

**Armstrong:** A system of selective tendering is used, whereby only certain companies are given the opportunity to submit a proposal. These are selected by Stanley Fisheries, FIDC or by the government.

**WF:** What timescale do you envisage to develop secondary fishing facilities, such as cold stores and processing plants?

**Armstrong:** The cold stores could be constructed within one year, but it would be much more difficult to develop processing facilities since we are already faced with an over-employment problem. We do not therefore envisage being

able to process fish on the Islands in the short term.

Invitations to tender were submitted to selected companies, on a closed tender basis. The tender is in two parts, one for management and operation of the floating port, and the other for franchise operations.

**WF:** What berthing facilities already exist for vessels operating in the area?

**Armstrong:** There has been no problem to berth the jiggers at Stanley and, so far, we have not received requests from deep sea trawlers for docking facilities, but if requests are received we would look into the matter. The floating port would, of course, solve this problem, in part at least.

**WF:** How many joint ventures are currently in operation, and with whom?

**Armstrong:** There are currently 13 joint ventures, the largest of which is Berkeley Sound Shipping, which is engaged in jigging activities in conjunction with a major Korean company. There are several joint ventures with British companies including Falconview, Scofish International, Stanmar and SWB. We have JV agreements with the two Spanish owner asso-

ciations, AASPE and ANAMER and others which include Solander of New Zealand and FCF of Taiwan.

A recent joint venture agreement has been established with the Faroe Islands. A licence for fishing squid has been issued for one vessel which, during its commercial fishing activities, will search for scallops and shrimp.

**WF:** What is your opinion of the joint ventures? How do you measure their success and their development?

**Armstrong:** We do not envisage joint ventures completely replacing the licence system, but we do gain a considerable amount of expertise from the JV agreements. We believe it is possible for both systems to

continue in operation for the foreseeable future.

**WF:** Have you yet been able to identify other species as being suitable for commercial exploitation? For instance, have you studied the inshore resources?

**Armstrong:** We have already conducted studies into the crab stocks within a 3-mile zone and the results were sufficiently encouraging for SWB to proceed with commercial activities. In deeper waters, beyond the 3-mile zone, the Koreans are confident that we will find King crab, and abalone is thought to be present too. However, insufficient data is available at this stage to know what is present.

## New talks

According to recent articles published in the *Sunday Observer* and the *Times*, a Falkland Islands representative at the United Nations, Mr Tony Blake, a Falklands' councillor, has proposed that Britain, Argentina and Uruguay should co-operate in managing the South Atlantic fisheries.

The Foreign Office in London has confirmed that indirect discussions have

taken place with Argentina via the USA since January this year, in order to try to obtain agreement to avoid military clashes in the disputed fishing zone. Mr Blake's proposals are thought to be wider ranging in seeking co-operation, rather than avoidance of problems.

There is no formal mandate from the Falklands' government covering Mr Blake's proposals, but he is understood to have the support of other councillors.



# Salmon ranching trials beginning

**WORK** to develop a salmon ranching industry in the Falkland islands is continuing and the first smolts are due to be released into the sea later this year.

The project is the work of one man — Simon Hardcastle — who is being assisted by the Falkland Islands Development Corporation which hopes that ranching can begin in two to three years.

Meanwhile, Mr. Hardcastle is at the "patient development" stage of the venture which began at Fox Bay last year.

He is also looking at developing the large Falkland Islands mussel stock and at possibilities with farming oysters.

A young Falkland Islander trained at the Institute of Aquaculture of the University of Stirling, Mr. Hardcastle set up a pilot hatchery at Cheeks Creek and the preliminary results of the project are "encouraging", according to the corporation.

Salmon ova were delivered to the Falklands in May last year and Gordon Jewkes, chairman of the corporation, told *FNI*: "We have all the conditions for farming which appear to be right."

Both krill and mutton have been examined as possible salmon feed until ranching takes place, as importing feed would be costly.

The corporation stated: "The pilot hatchery in Cheeks Creek simulated ideal conditions for salmon culture, specifically including water filters, egg hatching troughs, fry tanks, heating and recycled water."

"The project, during which several populations of salmon were introduced into the hatchery, has favourably answered some of the questions about the suitability of the environment for salmon development."

"Similar information about the marine environment will be tabulated after the smolts are transferred to the sea."

"If the pilot stage proves to be successful, the FIDC will hope to encourage one of Stanley Fisheries Ltd.'s joint venture partners to invest in its commercial exploitation".

# Falklands ranch plans first smolt release

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the hatchery has favourably answered some of the questions about the suitability the environment for salmon development.

In particular, the salmon specialists have collected information on the water quality, temperature regime, the presence of indigenous potential pathogenic organisms in the water supplies, and the effect of these factors upon survival, growth and smoltification rates.

"Similar information about the marine environment will be tabulated after the smolts are transferred to the sea."