

**CONFIDENTIAL**

**FOREIGN AND COMMONWEALTH OFFICE**

**DIPLOMATIC REPORT No. 90/80**

ALW 014/1

*General Distribution*

**FALKLAND ISLANDS**

**28 January, 1980**

**LAST IMPRESSIONS OF THE FALKLANDS**

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

**SUMMARY**

Although concern for their future must remain, and in spite of the inclusion, in the current Anglo-Argentine negotiations, of the question of sovereignty over the Falklands, the Islanders are now more relaxed about their immediate prospects and are enjoying a somewhat greater affluence than three years ago (paragraphs 1-3).

2. Impressions of the Falklands and their people; hard-working and totally British in their way of life and outlook. They have hitherto had few links with their nearest neighbours on the South American mainland, which is quite foreign to them (paragraphs 4 and 5).

3. An economy based almost solely on a well organised sheep ranching industry. Although serving Britain's strategic interests well in the past, a lack of real interest in their development has led to the neglect of the Islands' other resources. A greater prosperity, which would otherwise be possible, is today hampered by the stultifying effect of the Argentine claim. Are the Islanders being held out only an illusion of hope for the future? (paragraphs 6-8).

4. The ultimate Argentine aim seems to be to strengthen their position in the South Atlantic and the Antarctic by totally usurping that of Britain. A more determined assessment by Britain of her advantages and long-term interests in the region might clarify the policy options and strengthen her stand in the negotiations (paragraphs 9 and 10).

5. The importance of South Georgia in the preservation of those interests, and the tragic loss it would be if the negotiations go badly for the Islanders; if, in the worst event, they have to be resettled it should be done generously. But there is hope the Falklands can survive (paragraphs 11-13).

6. A personal farewell (paragraph 14).

(Confidential)  
My Lord,

*Port Stanley,  
28 January, 1980.*

At the end of this month I will leave the Falklands after three intense, sometimes trying, but mostly happy years living among the Islanders as their Governor. Glancing through the despatches of my 20-odd predecessors a few, it seems, left with no regrets, and one or two had even had enough and were

**CONFIDENTIAL**

glad to go. Others had become so attached to the place they were sorry to leave, some with hope a better future might be possible for the Islanders if things turned out well, and many with concern about what that future might really hold for them. My own feelings are a mixture of the last three, and my concern is deep.

2. On my arrival, at short notice, just before Christmas in December 1976, I had little time to put my first impressions into clear thought. My immediate task was to calm down the decidedly emotional state the Islanders had got themselves into in the preceding year or so, when everything seemed to go wrong and apprehension about the future was high. The intention then was to persuade them into accepting the fact that the question of sovereignty over the Islands would henceforth be one of the twin themes—the other being co-operation in economic development—in the Ministerial negotiations it had been decided should shortly after be embarked upon with the Argentines.

3. The Islanders took the message fairly well, albeit with some reluctance and suspicion but drawing comfort from the assurances given them that their wishes would, in the end, be the deciding factor. The promise of additional aid for internal development, which has since been provided in quite generous measure, also helped. The negotiations, in which their Councillors have been kept informed at every stage, have gone on at lengthy intervals since then, with no marked results so far, while local attention has been focused on such schemes of internal development as money and resources have allowed. At the time of writing this, while worries about the long-term future, both political and economic, still remain, the Islanders have become a good deal more relaxed about their immediate prospects and are enjoying a slightly greater degree of affluence as the benefits of development flow through and wool prices keep up.

4. What are my abiding impressions of the Islands as I leave them? A bare, rugged, isolated and unspoilt landscape, with abundant wildlife, mostly around the often strikingly dramatic coasts. A climate that is much maligned and which, while it sometimes produces bleak miserable days of rain and wind, mostly offers the clearest skies and brightest sunshine anyone could wish for. Some of the kindest, gentlest, most hospitable people in the world, gossipy, like all scattered island folk and occasionally slyly sharp in their humour, but not intentionally malicious. Hard-working, very versatile in their talents and skills, and with a better understanding of the world outside than the formal education of some of them would incline one to expect. Tolerant of human frailty, and with their social problems quietly under control. Intensely proud of their Falklands' heritage, but totally loyal and totally British in their way of life, appearance, manner and outlook. Although so close to the South American mainland they have taken in none of its culture or habits. Historically, they have had little to do with it. A few Islanders, through frustration at not being given their chance during the great land-grab of the late 19th century, crossed over to farm in the then deserted Southern Patagonia, and left one or two Island names on both sides of the water; but the family links are now so tenuous as to be non-existent. Until a few years ago, and apart from the passage through Montevideo *en route* to the UK, or the education of some of the better off children at the British school in Montevideo or treatment at the British hospital there, the majority of the Islanders had no great contact with the mainland and almost none with Argentina; what they have since learnt about it has not encouraged them to want to know more. In earlier days, frequent shipping, the mail, the telegraph and periodic leave visits sufficiently bridged the 8,000 miles from Britain. As a result a large proportion of the population have, at one time or another, been to the UK, and have numerous friends and relatives there.

5. All in all, a well-knit community preoccupied with its main economic function—the production of wool; healthily balancing its external trade, paying its way by taxation comparable with that in the UK, owing nothing to anyone, and investing all its reserves, savings and profits in Britain. Almost wholly composed of wage and salary earners, employed by Government or the farming companies, with few personal assets other than their small savings, or the homes about half of them own.

6. Although the defects of the large-scale ranching system are now becoming apparent, with the natural grasslands having been exploited rather than nurtured, the sheep farming industry is a well organised affair concentrated on the outlying settlements, which are less villages in the rural English sense of the term than wool producing factories. For all its failings as a progressive go-ahead company, the Falkland Islands Company, which owns half the farms, efficiently performs its commercial functions in the shipping and marketing of the wool produced. But there has been no diversification into other activities, other than a small start on tourism.

7. For all the fact that it works, and so far works well, looking back over the colony's history it is sad to see all the opportunities that have been lost to it. From the beginning, and throughout most of the last century, the cause can be seen in the lack of interest by successive British Governments in maintaining the place as very much more than a strategic foothold in the South Atlantic, across the Cape Horn route. As such it served splendidly well in both world wars. And then interest flagged again. The people carried on, but never enough of them were brought in, nor enough land allocated in small units, to make intensive settlement possible. The, mainly overseas, companies' shareholders were content with the dividends the system produced and ploughed little back into new investment. When sealing and whaling were played out, or stopped, the other abundant marine resources, such as fish and kelp, were neglected. More people, more investment and more resource development would have made a power of difference, both politically and economically. The Islands are still fairly prosperous; they could be more so, were it not for the now stultifying effect of the Argentine claim.

8. Although supported by a lively Council, and an efficient little Civil Service, with a fair inflow of overseas professional officers, the greater part of a Governor's time is taken up by the day to day maintenance of the community's services. If confidence is to be sustained, avoiding the despair which in the past has caused the Parliamentary criticism that has so plagued Ministers, it is a necessary part of the job also to devote time to the planning of the further improvement of those services, alongside long-term schemes for urban and rural development—just as if the place had the longest of all futures. And then the cold thought comes: that all this work and planning could be set at nought because of the need to meet the emotional and nationalistic demands of a country, Argentina, 400 miles away across the sea, which should have more to concern itself in the social, economic and political problems that face it inside its own frontiers. Is it then wrong to hold out the illusion of hope to the Islanders?

9. This brings us to the blunt question. If an irksome dispute with a country we may not much care about, but which has no scruples about its behaviour, can be ended, should we allow less than 2,000 Islanders to prevent it, just so that they can continue in their happy way of life without any change in their status? What, as one senior Argentine diplomatic official, perhaps not uncharacteristically,

put it to a visiting journalist, do 2,000 people matter anyway? It ought to be possible to answer that by asking why should not these people matter, and why should they not be allowed to go on living in a way which does no harm to anyone. The stark answer to that one seems to be that, leaving aside a flurry of emotion over an alleged historic wrong, the Argentines are determined to strengthen their position in the South Atlantic, and thence in the Antarctic, by totally usurping ours, which we have not seemed too concerned to maintain.

10. I cannot see any way of disinterestedly reconciling the wishes of the Islanders with the demands of the Argentines. Of all the ambitious options before the latter, the British one, on past performance, must seem the softest. It might clarify thinking considerably if Britain were to drop her attitude of apparent detachment, assess her advantages and interests, and openly meet the Argentines on the same terms in the dispute as they have chosen for themselves. Our hand of course lacks instant strength, but we have a few good cards for a reasonable defence. It ought to be possible to find ways of accommodating our interests with those of the Argentines, by persuading them into the realities of our joint situation. If they think they will be able alone to outmanoeuvre their rivals in the Antarctic scramble, which may come in time after the Antarctic Treaty peters out, they may find themselves outmanoeuvred in turn by the bigger powers. If we are still around, we could be a useful balancing force. Or is this too naive? Whether it is possible to inject such a thought into Argentine official minds or not, the next round of Ministerial negotiations may show.

11. If, however, the search for a solution is to be protracted and if, in the meantime, they lose heart over their economic and political prospects, once again there will be a trickle of the more able people away from here which could turn into such a stream as to collapse the economy, leaving Britain with the expensive problem of resettling those who can neither afford, nor are otherwise able to get away on their own. If it is to come to that, it is to be hoped it will be done promptly, decently and generously. But posterity may criticise the abandonment of our wider interests.

12. What are our interests in the region, apart from that of just protecting the Islanders? We know there are substantial marine resources in the South Atlantic and Antarctic seas, possibly not quite as inexhaustible as some estimates have made out, and which may be in danger of serious depletion by the activities of foreign fishing fleets, particularly those of the Russians and the Poles. There may also be oil and other sea bed minerals, as well as those possibly under the ice. It is all wildly speculative at present, and it may take many many years for the right technology to be developed to reap what harvest there is. But other eyes are now fixed on those prospects, and no country is going to give up its position in the Antarctic and adjacent areas while those prospects remain. Except, it sometimes seems, Britain, which history has given the best of all bases; just because it is an "uninhabited rock" we have even looked like loosening our grip on South Georgia, where we have an unassailable and vital position. One cannot imagine the French, for example, doing the same; they are clearly going to stick to their similar vantage point at Kerguelen, come what may.

13. In time, if things go badly for the Islanders in the negotiations, the Falkland Islands could also become a collection of uninhabited rocks, the Islanders having left, and few Argentines wishing to come in. That would be to no one's gain. It would indeed be a tragic loss if this unique little democratic show-piece of a community, with all the history that lies behind it, were to vanish from the earth just because of national ambition on the one side and on the other because

policy, or so I think, got off on the wrong foot several years ago. But although I began this despatch on a note of pessimism, I will end it optimistically; I am hopeful a solution can be found, and the Falklands will survive.

14. In departing from this, my last and perhaps most absorbing posting, I must also take my leave of the Diplomatic Service in which I have worked for well over half of my 40-odd years in the public service. In spite of my rather unorthodox entry, the Service has always treated me with great kindness and indulgence, and has given me the opportunity to enjoy rewarding—if sometimes a little exciting—postings in several fascinating parts of the world, with the privilege of working alongside many able and agreeable colleagues. I have relished it all, and will have a great deal to look back upon—of places, events, people—in my retirement. As much as I do the Falklands, I wish the Service well in what may be a difficult and demanding future.

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

I am Sir

Yours faithfully

J. R. W. PARKER.