

"Intransigent position of Great Britain" for refusing to resume direct diplomatic relations. He added that the "exaggerated British military presence in the south Atlantic" had "jeopardized stability in an area that is part of the Latin American denuclearized zone [under the Tlatelolco Treaty of 1967—see 22505 A]" to the extent that the Falklands had become strategically important in the East-West conflict. Sr Caputo also condemned "the illegal and arbitrary protection zone" maintained by the UK around the islands, and claimed that the existence of this zone had led to the uncontrolled exploitation of fish stocks in the region [see below].

In a memorandum submitted to the UN shortly before he addressed the General Assembly on behalf of the European Communities (EC) in his capacity as chairman of the Council of Ministers, Sir Geoffrey Howe, the UK Foreign and Commonwealth Secretary, reiterated the British government's wish to improve relations with Argentina, adding that "at the same time, we stand by the principle of self-determination, our commitment to respect the wishes of the Falkland Islanders and their desire to maintain their constitutional links with Britain".

Reports on south Atlantic fishing resources - Calls by Falkland Islanders for 200-mile fishing zone

According to a study of fishing resources in the south Atlantic carried out by the UN Food and Agriculture Organization (FAO) with UK and Argentine support [see page 34038], "an unprecedented assault" was taking place in the waters around the Falklands as a result of three years of uncontrolled fishing by increasingly from Japan, Taiwan, South Korea, Bulgaria and Spain, who had taken advantage of the UK's continued political reluctance to declare a territorial zone. The findings of the FAO report were supported by independent UK and Argentine studies. During a visit to the Falkland Islands by Baroness Young, UK Minister of State at the Foreign and Commonwealth Office, at the end of February 1986, the islanders maintained that the imposition of a 200-mile fisheries zone would both help to conserve fish stocks within the immediate area and provide the islands with revenues from licence fees, thereby reducing their dependence on the UK.

Bilateral fishing agreements - Sinking of Taiwanese trawler by Argentine patrol

On Jan. 21, 1986, at a meeting in London between Mrs Thatcher and the then Japanese Foreign Minister, Mr Shinjitaro Abe, Japan agreed not to exceed current catch levels in its fishing operations within the 150-mile protection zone around the Falklands. This represented the first occasion on which bilateral talks had led to voluntary restraints: the British government had sought an agreement with Japan after learning at the end of 1985 of Japan's intention to increase substantially the number of vessels fishing inside the protection zone. During the first five months of 1986 six fishing trawlers were reported to have been captured by Argentine coastguard patrols for "illegally" fishing within Argentine territorial waters near the protection zone. On May 28 one Taiwanese fisherman died and several others were injured when an Argentine coastguard gunboat fired on and reportedly sank a Taiwanese fishing boat, the *Chian Der 3*, a few miles outside the protection zone, after the ship's captain had defied orders to proceed to Argentina. Taiwan maritime officials claimed that the incident occurred 28 miles outside the limit of the 200-mile offshore exclusive economic zone claimed by Argentina. On May 27 the ambassadors from countries maintaining large fleets off the coast of Argentina had been notified that increased patrolling would be

carried out and heavy penalties imposed on any vessels caught fishing within Argentine territorial waters. However, the ambassadors said that it was unclear whether the 200-mile territorial zone applied solely to the mainland or to the Falklands as well.

The Taiwanese Foreign Ministry publicly condemned the sinking of the trawler although no formal protest was made (Taiwan did not have formal diplomatic relations with Argentina). In early 1985 Taiwan had received permission from the UK for its 63-vessel squid fleet to fish within the 150-mile protection zone until May 25, 1986.

An official statement issued by the Argentine Foreign Ministry claimed that the "direct cause" of the incident was the "irresponsible conduct" of the trawler's captain in repeatedly refusing orders from the gunboat. However, it added that neither this nor other recent incidents involving foreign trawlers would have happened had the UK not "illegally declared" the 150-mile protection zone around the islands which had led to the "irrational and indiscriminate" exploitation of natural resources in the south Atlantic, forcing Argentina to increase action. Argentina, the statement added, had thus far "abstained from exercising its legitimate policing power" inside the protection zone in order to show willingness to settle the Falklands dispute with the UK peacefully.

The action was widely interpreted in the UK as an attempt by Argentina to force Taiwan and other countries fishing in the south Atlantic to sign bilateral fishing agreements with Argentina.

At the beginning of August 1986 Argentina announced that it had concluded bilateral fishing agreements with the Soviet Union and Bulgaria, to regulate the catch of their trawler fleets; the terms of the agreements gave tacit recognition of Argentine sovereignty claims over the fishing grounds off the Falkland Islands.

According to the Argentine Fisheries Minister, Sr Luis Jaime, in return for free access to Argentina's 200-mile exclusive economic zone, the Soviet Union and Bulgaria had agreed to a catch limit of 180,000 tonnes and 28,000 tonnes respectively per year, fishing south of the 46th parallel. A tax of between 3 and 5 per cent would be levied on the value of their catches. In addition, the trawlers had to purchase Argentine fisheries products worth 30 per cent of the total value of their catch, and had to carry 10 per cent Argentine crews and also Argentine officials who would be responsible for "surveillance and control activities in the area".

A UK Foreign and Commonwealth Office spokesman warned on Aug. 13 that the agreements "would have no basis in international law" if they "purported to regulate fishing activity in the waters surrounding the Falkland Islands" because "British sovereignty over and administration of the Falklands confers on the British government and the Falkland authorities the right to exercise fisheries jurisdiction over these waters".

EC aid to Falklands

The EC, under an aid programme for the overseas territories of member states which came into operation on July 1, granted development funds to the Falkland Islands. The Argentine mission accredited to the EC, in a note citing UN General Assembly Resolution 31/49 of 1976 [see page 28406], reassessed Argentina's sovereignty rights over the islands.

Government spending on Falklands

According to plans outlined in May 1986 in the annual UK defence white paper, military spending for the defence of the Falkland Islands was set at £441,000,000 for 1986-87, representing a 20 per cent reduction from current levels. A major part of the planned savings came as a result of the opening of the new Falklands airport at Mount Pleasant in May 1985 [see page 34038], which would make possible rapid reinforcement of the garrison and therefore a reduction in current manning levels. (Times - Guardian - Financial Times - International Herald Tribune - Latin American Monitor - Le Monde) (Previous report 34037 A)