

# Malvinas: The Falklands oil rush and Thatcher's War

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**The 30<sup>th</sup> anniversary of Britain's invasion of the Falklands to remove an occupation force sent by Argentinian military dictator General Galtieri, comes at a time of renewed controversy over the British presence in the region writes Alan Thornett . The islands are adjacent to Argentina but 8,000 miles from Britain. The new controversy has been triggered by the escalating rush for oil and gas drilling, which is now around the Falklands—or the Malvinas as they are known in Argentina,**

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The situation is getting more tense and Argentina has responded by declaring the new drilling illegal, and is threatening action in the courts. It is already imposing travel sanctions against the islands with the support of other South America governments. British ships are being turned away from Argentinian ports if they have been involved with the Falklands. Last month two British cruise ships, the Adonia and the Star Princess, were turned way from Ushuaia, on the country's southern tip, because they had previously called at Port Stanley in the Falklands.

Argentina's transport workers' federation has threatened to obstruct the loading and unloading of British ships in Argentine ports in order to press London to open sovereignty talks with Argentina. "We're going to economically hurt British-flagged ships or British ships flying the flag of convenience," said union leader Omar Suarez.

Britain in turn has sharply increased its military capability in the region, including, according to Argentina, nuclear submarines. Cameron has made renewed declarations to defend the islands by the use of whatever force is necessary.

Oil reserves and other riches of the South Atlantic and Antarctica were clearly behind the war in 1982. Thatcher's government, however, vehemently denied it. Her only interest, she insisted, was to defend the self-determination of the 1800 Falkland Islanders who wanted to continue to be ruled by Britain.

Today's developments put Thatcher's war in 1982 in perspective. With peak oil and the price going up there is now a rush for exploration around the Island which have estimated reserves of around 8bn barrels—three times Britain's reserves in the North Sea.

Drilling has been expanding rapidly. In the Sea Lion field, in a basin off the Islands, it is being carried out by Rockhopper Exploration PLC (RKH))—they like to name their destructive projects after the wildlife they are threatening. Sea Lion is estimated to hold 448m barrels of recoverable oil.

This alone could transform the economics of the Falkland Islands, but it is only the start.

Recently the Borders and Southern oil company (BOR) began drilling South of the islands in a field with a capacity of 4.7bn barrels, ten times the capacity of Sea Lion. If this goes to plan it could transform the Falklands into the South Atlantic equivalent of an oil rich Gulf state—and all under British sovereignty.

## **The history**

Yet Britain's claim to sovereignty of the Falklands has always been spurious. The islands were originally taken by armed force by Britain from the Republic of Buenos Aires, as a part of Britain's colonial expansion, during South America's struggle for independence from Spain. The islands met the British Empire's need for a whaling station and a resupply base for shipping bound for the Pacific around the Cape. They also provided a naval base in a strategic location.

By the time Argentina won independence from Spain it was in no position to challenge British sea power.

With the opening of the Panama Canal, however, most shipping abandoned the route around the Cape and the role of the islands declined. In fact Britain was even considering negotiating a transfer of the Islands to Argentine sovereignty in the 1970s until the potentiality of the region in terms of natural resources were realised and the policy sharply reversed.

Galtieri's motivation for the occupation was more for domestic advantage than for Argentina's historic claim to the Islands. He was facing his biggest economic and political crisis since he grabbed power six years earlier and saw invading the Falklands as a means of diverting attention from his despotic regime and gaining some popularity.

The political character of the Argentine regime, however, could not rightly determine our stand on this. The choice was between a rapacious British Imperialism defending one of its colonial possessions and the claim of a dependent, semi-colonial, country with a 130 year old injustice perpetrated in its own region of the world.

Thatcher was taken by surprise by the occupation but quickly responded and dispatched a task force, within a few days, with orders to use whatever force necessary to expel the Argentine forces. Labour leader Michael Foot fully supported the dispatch of the task force and the jingoism which went with it, effectively endorsing the war drive.

Her justification for the war was the need to support for the right of self-determination of the Falklanders. This was in sharp contrast to the treatment meted out to the people of Diego Garcia, a British colonial possession in the Indian Ocean with a similar size population (slightly bigger) as the Falklands. They had been removed from their island a few years earlier, and denied the right of self-determination, because self-determination at that time stood in the way of Britain's strategic interest—which was to lease the island to the USA for a cold war airbase.

Now because self-determination for the Falklanders suited British strategic interests as the justification for war Thatcher became a champion of it.

## Natural resources

Thatcher's real motivation behind the war was very different. It was the defence of Britain's prestige as an imperialist power and its geo-political interests. It was the natural resources of the region, in particular oil, however, which was there from the start—as was the oil lobby. In fact oil reserves had been found between the Falklands and Argentina four years earlier and this was emerging as a potential game changer in the region.

It was no accident, therefore, that most of the Falklands was already owned by an energy company, Coalite Ltd of Bolsover. With an eye to the potential energy they had taken over the Falkland Islands Company in 1973 (at the time of the Middle East oil crisis) and the first oil was found by Shell, working with them, a few years later.

In fact the Falkland Islands were a company operation from top to bottom. Coalite owned 50% of all Falklands land outright and another 25% through interlinked directorships. They also owned all the shops, most of the houses, the bank, and the shipping line which linked the Islands with Britain. Most people on the Islands worked for them and lived in tied cottages supplied by them.

Thatcher also saw the huge potential of waging war over the Falklands in terms of domestic politics, where her popularity was at a low ebb. After the task force sailed for the South Atlantic the jingoism of the Tories was only matched by that of the Labour and SDP. Until now, the sovereignty, or even the whereabouts, of the Falklands had been a matter of indifference in Britain. Suddenly the islands became the jewel in the British crown to be defended to the last drop of British blood.

Thatcher won a messy victory after a 5-week conflict. It could have gone either way, given the logistics, despite Britain's economic and military superiority and their knowledge of Argentina's military capability, presumably, since it had been one of its principal arms suppliers.

There were 258 British service personnel killed in the conflict and 777 wounded. There were 649 Argentineans killed and 1,068 wounded. In what was clearly a war crime the antiquated Argentine warship the General Belgrano, with 1,000 sailors on board, was torpedoed by a British nuclear submarine as it was steaming away from the war zone with a loss of 368 sailors. It produced the *Sun's* gut-wrenching 'Gotcha' headline.

Thatcher basked in the glory of victory as the task force returned home in triumph. It transformed the electoral fortunes of the Tories. Despite unemployment topping three million for the first time, the Tories rose dramatically in the opinion polls. What became the 'Falkland factor' carried them through the 1983 general election and gave them a head start in the one after that. It became the basis for the attacks on the unions carried through at that time.

## The left in Britain

Most of the left internationally, including the Fourth International, supported Argentina despite the military dictatorship, and Galtieri's self-serving motives. They recognised the legitimacy of Argentina's historic claim to the islands and saw the war as a conflict between an imperialist power and a dependant, semi-colonial, country. This view was very strong amongst the South American left. In Argentina the left demonstrated under the banner: "Yes to the Malvinas, No to Galtieri".

In Britain the left was more divided. The main organisation to reject this view was the Militant (now the Socialist Party (SP)). They refused to call for the task force to withdraw, or for Britain to end hostilities. They refused to condemn Britain's war aims and they rejected the Argentine claim to the

islands. They said that they were against both Thatcher and Galtieri, of course, as was everyone on the left. But when it came to taking a stance on the politics of the conflict they were essentially pro-British.

In fact they agreed with the main justification of the war advanced by the Thatcher government: that it was to defend the right of self-determination of the Falkland islanders.

The SP have claimed in recent years that their position was misrepresented or taken out of context in 1982. This is hard to accept, however. In fact five years ago at the time of the 25<sup>th</sup> anniversary of the war they re-published an article written at the time by Lynn Walsh called: "Falklands war: what lessons for the labour movement?" published in *Militant International Review* (Issue 22, June 1982).

Whilst the SP claimed that this article demonstrated how much they had been misrepresented it does nothing of the sort. In fact it carries the disputed line with knobs on.

On their refusal to call for the withdrawal of the task force and self determination for the Islanders it says the following: "Nor could the call to stop the war or withdraw the Fleet provide a basis even for a mass campaign of demonstrations, meetings, and agitation - because it leaves unanswered, in the eyes of workers, the vital question of the rights of the Falkland Islanders and the question of opposing a vicious military-police dictatorship in Argentina."

It goes on to make a bizarre appeal for the election of a Labour Government which could then, it says, keep hold of the Falklands by appealing to the Argentine working class and continue the war on socialist lines! It puts it this way: "A socialist government would make a class appeal to the Argentinean workers. A Labour government could not just abandon the Falklanders and let Galtieri get on with it. But it would continue the war on socialist lines."

The International Marxist Group (Socialist Resistance's predecessor organisation and its paper, *Socialist Challenge*, who were strongly on the pro-Argentine line, published a full-page appeal to Militant supporter to reject the Militant position characterising it as a "class betrayal". (*Socialist Challenge* number 245 May 13<sup>th</sup> 1982)

The other organisation to take a similar position to Militant was the International Communist League (ICL)—today's AWL. The ICL had recently fused with the WSL (the Workers Socialist League of which I was a member) to form a new organisation, also called the WSL. We had come together as two organisations of the same size to form a new organisation of around 350.

When the war broke out the members of the two previous organisations took diametrically opposite positions on it. We (ex-WSL) took a pro-Argentine position and the ex-ICL members took a position of neutrality, or 'dual defeatist' as they termed it. Since we were a minority on the National Committee (NC) it voted for neutrality. We campaigned for a special full-membership conference to decide the issue. When this took place it reversed the NC position voting by a margin of 151 to 149 (after two recounts) in favour of our pro-Argentina position. It was effectively the end of the fusion. We were all expelled some months later by decision of the National Committee on which we were still a minority.

The ICL along with Militant (and the British Government of course) based their position heavily on the right of self-determination of the Falklanders and their rejection of Argentina's claim to sovereignty of the Islands. They also argued that Argentina was not an oppressed nation but an advanced, middle-ranking, capitalist country which was acting as a sub-imperialist power in the region.

For Britain the position was clear: support for the self-determination for the Falklanders was its

passport to the riches of the region.

The 1,800 Falklanders, however, were not in any real sense a nation. They were a (rather down-trodden) settler population in a British colonial enclave and. They had no independence from Britain and even less from Coalite Ltd, as noted above. Whilst numbers were not decisive 1,800 people is roughly the population of the average street London. In 1982 there were 20,000 British nationals living in Argentina, for example—though Argentineans were excluded from the Falklands. Moreover the size and makeup of the population was determined mainly by the commercial decisions and employment requirements of Coalite Ltd.

They had been an essential component of Britain's colonial occupation over many years. It was not acceptable that the 'rights' of these 1,800 inhabitants were raised above the rights of the Argentinian people—and the interests of a whole continent. It gave them a veto over the sovereignty of the Islands and made them into a mechanism for the presence of Britain in the South Atlantic. They were, moreover, seeking a status which could only be maintained in the long term with the support of British military force against the wishes of the South American masses.

They had every right to decent treatment, of course. They could have been given the right to return to Britain or move to New Zealand with full costs and compensation from the British government. Many of them already go to New Zealand or Britain when they face ill health and need hospital treatment or when they retire because they have to vacate the Coalite Ltd tied cottages in which they live.

Today, with the price of oil only likely to go up, whatever its short-term fluctuations, the current build up of tension is not going to go away. Britain will continue to strengthen its military commitment to the region and opposition will continue to mount against it across Latin America. From this point of view the debates around the conflict in 1983 are well worth some attention.

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\* From International Viewpoint. <http://www.internationalviewpoint.org/>

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