

Aha! Oil!

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Argentina's annual sabre-rattle with Britain over the Falkland Islands took place last week. The Falklands are a small, windswept place 400 miles east of Patagonia, and have been British since 1873. The 2,000 islanders are so strongly pro-British that they have always refused past offers of independence. Argentine leaders tend to revive the dispute with Britain over sovereignty of the islands whenever they want a diversion from Argentina's internal problems. This time Mrs Perón's government was probably acting defensively, to pre-empt opposition attacks on the latest British mission to the islands.

A delegation led by Lord Shackleton arrived in the Falklands last week to look for ways of diversifying the islands' economy. Since the islanders already enjoy a high income per head from sheep-farming, suspicious Argentine minds concluded that the British were after the islands' only other likely asset: oil. There is some disagreement about the chances of finding a commercially viable field near

the Falklands, but some 50 applications for drilling rights have been put in by oil companies. A discovery of oil would lead to further trouble between the two governments: no dividing line has yet been drawn up between Falkland and Argentine territorial waters.

The islanders were further alarmed last week to see about 100 Argentine army engineers landing "to bring materials" to extend the Falklands' only airstrip, near Port Stanley. But the British foreign office confirmed that the visit had its approval under an agreement signed in 1974. Mrs Perón may not be strong enough to take on the British just now but the islanders fear a sell-out in the future. The Royal Navy survey ship *Endurance*, which provides one of only two direct links from Britain to the islands (the other is a four-times-a-year charter ship), is to be withdrawn from service in March. If, later, Argentines were to land with guns instead of shovels, the islands' first line of defence would be a marine garrison of 37 men.