talks.' First contacts at the UN led to agreement on wide ranging bilateral discussions to begin in October in Madrid. Now it was to be London which proved less anxious for too much progress too soon.

The Madrid joint declaration marked the turning of the page on the Falklands issue. An 'umbrella' was placed over the issue of sovereignty over the islands with both sides maintaining their former stands. And while Argentina did not formally end the conflict, both sides 'took note' of the ending of hostilities between them. Consular relations between London and Buenos Aires were likewise reestablished. Important as well were to be the promotion of bilateral financial links as well as the reopening of air and sea communications between the two countries. The Falklands fishery protection zone was to be reduced to the same area as the defence zone with Argentine merchant ships allowed access. The UK would also work to facilitate the expansion of Argentina's links with the European Union. And finally, two working groups were established in order to deal with the major issues facing the two countries, always excepting that related to sovereignty. One group was to work on ways to avoid incidents between the armed forces of the two sides and to build confidence between them, while the second made proposals on the exchange of information and other cooperative measures in the fields of conservation and fishing.¹²

This landmark agreement gave much to both sides and clearly demonstrated the advantages of moving on from the past. In December military delegations from London and Buenos Aires met in Montevideo to work on means to ease the strain inherent in the deployments of forces in the South Atlantic. Agreement was reached on mutual assistance in cases of search and rescue operations, increased security measures for one another's ships and aircraft, and methods to avoid or reduce incidents between the armed forces of the two countries. The above occurred in a context of great change in the Argentine armed forces which cancelled their *Condor II* surface to surface missile programme, reduced massively their military manpower strength and budget, increased their international peacekeeping contributions, and engaged in deep defence reforms. From London's perspective, Argentina was simply becoming much less of a real threat to the islands.

CONFIDENCE BUILDING MEASURES

The British Experience with Confidence Building Measures

The United Kingdom is of course an old and experienced state. As a great power since the Middle Ages, England and then Great Britain has long mattered on the European scene, despite its island status. Indeed, the uniquely maritime dimension of Britain's historic existence has meant the country embarked on the greatest imperial adventure since at least Rome and arguably the most dramatic in human history. The Royal Navy and the British merchant marine brought power,

¹² Russell, "Argentina: una nueva política exterior?", in Muñoz, El Desafio de los '90, pp. 15-29.