

# Causes of the Falklands War, A Historiography

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**Abstract.** This essay seeks to understand the historical debate around the causes of the Falklands War by exploring, chronologically, three main families of explanations --diversionary strategy, rationalist war, and rally around the flag effect. In separate sections dedicated to each one of these theories, there is an overview of the theory, a detailed explanation of a representative work of that theory, and a brief explanation of the theory's significance to historical debates.

**Keywords:** Falklands War; Rationalist Explanation; Diversionary Strategy.

## 1. Introduction

The Falklands War was a regional conflict between Argentina and Britain over the Falkland Islands. The conflict began as an undeclared war when Argentine forces invaded the islands on April 2, 1982; after a swift British response including dispatching a naval task force as well as launching an amphibious assault, Argentine occupation army surrendered on 14 June. The aftermath of the war saw the Argentine Junta losing its domestic support and facing massive protests, while the United Kingdom re-electing its prime minister Margret Thatcher.

Since the beginning of the war, scholars flocked to the analysis of the cause of the war because investigating the origins of the Falklands War had great historical value. First, the military government's commitment to the war was surprising for Argentina as it previously enjoyed nearly five decades without foreign warfare. Second, understanding the cause of the conflict would provide historians insights not only into the collapse of the Argentine military government in 1983, in which the war played an important role, but also into the re-democratization processes of many other Latin American countries, such as Chile and Paraguay, that Argentina's re-democratization indirectly influenced. Third, the war gave international relations theorists and political scientists in the late 20th century a modern case where an empire faced a challenger. The interactions and competitions between a superpower and an emerging regional power were — and still are — a topic of immense interest.

Early publications generally attributed the cause of war to the Argentine administration's employment of a diversionary strategy that aimed to direct public dissatisfaction with the regime's poor economic management toward an external event. After 1995, with James Fearon's publication *Rationalist Explanations for War*, more scholars began to investigate the war through a rationalist spectacle. These "rationalist" historians produced two main arguments: the disagreement of relative military power between the two countries due to imperfect information and the indivisibility of the Falkland Islands issue. Finally, several post World War II wars in the US and UK with gave historians empirical evidence to identify the cause-and-effect relationship between a ruling party's need to boost its popularity and war, or in other words generating a "rally effect". Historiographically, these three families of studies investigating the cause of the Falklands War emerged as results of new political science theories and historical events; they not only shaped the historical debate around the Falklands War but also reflected the shifting historiography of the cause of war, a larger historical topic.

## 2. Historical Context

Argentina entered the 20th century as a vibrant nation but slowly descended into chaos starting with its economic decline after World World I as a result of structural flaws, complicated by international economic affairs like the Great Depression and rapid industrialization. Located in the Southern Cone, Argentina possessed a considerable portion of the most fertile lands in South America and had a comparative advantage in agriculture. Argentina depended on its agricultural advantages

to recover relatively well from the global economic recessions caused by World War I, with its GDP per capita on par with that of Canada and France. [1] Inflation, Argentina's most notorious economic problem in the second part of 20th century, was limited to around 1.5% between 1900 and 1940. However, the Argentine economy would develop several underlying issues, the most glaring ones being the lack of industrialization due to a lack of basic industrial development, and another one was the excessive reliance on foreign exports. While the former was a structural setback that predetermined Argentina's failure to close its economic gaps with major European powers, such as Great Britain, France, and Germany, let alone the US, the latter would produce a vicious cycle of unstable politics and a volatile economy.

Argentine governments leading up to the Falklands War all demonstrated the vicious cycle: relative domestic stability at first, economic collapse, and removal from power. From 1946 to 1958, Juan Perón gained power twice and employed economic policies that sought to mediate conflicts between the middle class and oligarchies by compensating worker wages and increasing import quantity to substitute industrial production. However, the allocation of profits to wages and acquiring finished products through imports, which only made the economy relatively stable in the short term. A lack of fundamental industrial development and acquisition of financial capital that promoted long-term economic growth eventually caused stagnation, made the Argentine market uncompetitive, and contributed to an eventual military coup in 1958. [2] After several short-lived governments that continued Perón's policies from 1958 to 1973, General Videla overthrew Isabel Perón to establish a military junta. General Galtieri would be appointed as the president and inherit a collapsing economy with a quarterly inflation rate of approximately 25% leading up to the Falklands War. [3] A persistent domestic problem in the last century, the Argentine economic crisis was the major feature in the historical background of the Falklands War.

### 3. Diversionary Strategy

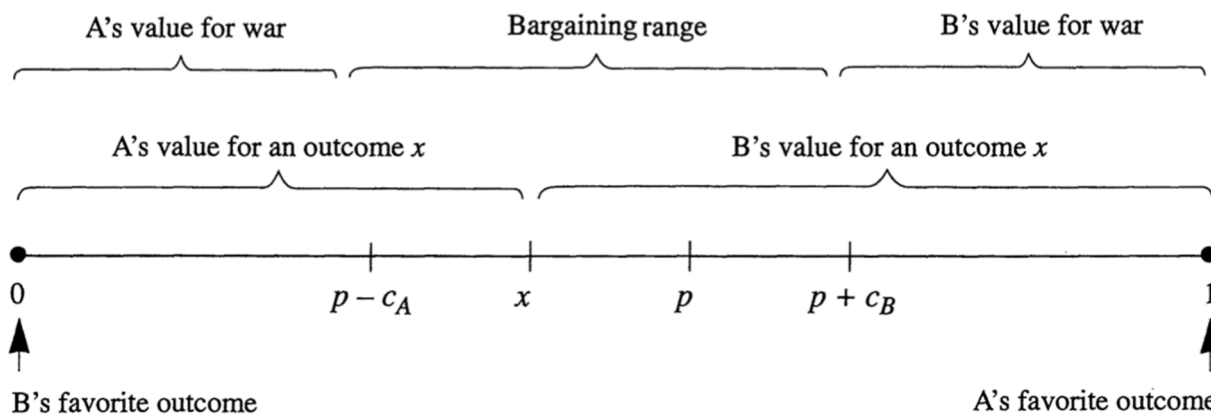
Diversionary strategy theory was, chronologically, the first major theory on the cause of the war. In 1992, Levy and Valiki published a paper foundational to the establishment of this theory. They revised the first and simplest argument, the "scapegoat theory", which stated that the Argentine military leadership used its invasion of the Falkland Islands as a "scapegoat" to redirect public attention away from the collapsing economy and to gain more legitimacy for governing. The paper pointed out that "the impact of this absence of legitimacy is indirect rather than direct" and attempted to provide an explanation on why the Falklands War was necessary for Argentina in 1982 but not at any point during the 160-year pre-war dispute over the islands when other Argentine administrations struggled similarly with their legitimacy.[4] In other words, the absence of legitimacy that General Galtieri faced was a symptom of a larger problem, "internal bureaucratic struggle" which inevitably forced the military leadership to pursue a belligerent foreign policy. [4]

Levy and Valiki identified two causes of the fatal division within the military government. First, a loss of "shared sense of mission" after "the successful completion of the internal war" against domestic opposition. [4] Due to constant economic instability, the military government overthrew Isabel Perón in 1976, and their regime revolved around eliminating what was left of the Peronists. The military leadership won the "Dirty War" against domestic opposition in 1980 through state terrorism such as using death squads to kidnap and assassinate leftist political opponents. As the army was in charge of the "Dirty War," the end of domestic political prosecution meant imbalanced power between different branches of the military. The termination of a common goal meant the end of the military government's unity. Second, the failure of the junta's economic program deepened disagreements over domestic and foreign policymaking within the regime. For example, President Viola's demonstration of liberalization tendencies in the midst of an economic predicament separated him from the hardliners, eventually leading to an ousting backed by General Galtieri. The split between branches of the military and the loss of mission motivated the regime more towards a war to resolve these economic and intra-military conflicts.

While economic reasons for war already rose with the emergence of modern economics theory, diversionary theories of war was among the first contemporary theories in modern political science on the cause of war. The argument was simple and intuitive to understand, unlike some of the more modern theories on the cause of war, which would be discussed in the next section.

#### 4. Rationalist War

In 1995, James Fearon published *Rationalist Explanations for War*, a paper that proposed how modern scholars could analyze the causes of war through game theory. Founded on Thomas Schelling's war bargaining theory, Fearon described war as the result of a bargaining failure. In the first part of his paper, Fearon presented a simple diagram of a bargain between two rational countries over a certain amount of benefits, or total utilities. The diagram shows a default bargain consisting of two players who have perfect information. [5] This means that they know each other's values for war or their bottom lines for an agreement. Fearon was able to prove through algebraic manipulation that, as soon as the sum of A's and B's cost of war is positive — and it always would be — there should be an agreement in the bargaining range that would satisfy both parties. In a more intuitive sense, rational states having perfect information of the situation will normally choose to bargain instead of taking the risks and bearing the costs of war. However, as Fearon and other scholars observed, wars had always occurred, not only between authoritarian states that were more susceptible to irrational decision-making but also between democratic states which, in most cases, were rational. A common theory that rational theorists mention is the security dilemma, where the military buildup of one country will necessarily lead to suspicion from other countries, causing a toxic yet "irrational" arm race. It is important to remember that a rational country or political leader only acts out of their or their country's best interest.



**Fig 1.** A default bargain consisting of two players who have perfect information

(This Chart comes from James D. Fearon, "Rationalist Explanations for War," *International Organization* 49, no. 3 (1995): pp. 379-414)

Fearon concluded three factors that could shift the basic model and motivate rational states to initiate war. First was the existence of "private information and incentives to misrepresent." [5] Imperfect information usually either created a disagreement of relative military power that could lead to invasions or cause countries to overestimate or underestimate other nations' values for war which would lead to breakdowns of bargaining processes. Similarly, a negotiator's misrepresentation of state interests could make other nations over/underestimate the said states' commitment to war. The second motivation for a rational war was "a consequence of commitment problems." [5] Commitment problems resulted in preemptive war, preventive war, and conflicts over indivisible issues. Fearon explained preemptive war using a gunslinger example, where two gunslingers would both try to shoot to kill the other person as quickly as possible since there was a first-strike offensive advantage. Killing

the other person eliminated future possibilities of war and could occur when “state A may not be able to commit itself to future foreign policy behavior that makes B prefer not to attack at some point.” [5] For example, state A would be untrustworthy to keep an agreement if its military power was way stronger than that of state B because State A could easily first negotiate a favorable deal and proceed to demand more until it gained the entire utility. The third potential cause of a rationalist war was indivisible issues, with territorial disputes being the most likely. An instance of an indivisible issue was Jerusalem during the Crusade eras: the city can be controlled by only one religion. The rationalist explanation diversified the arguments in the debate on the origins of the Falklands War. After Fearon's establishment of the unique approach to international relations studies, many scholars started to analyze contemporary warfare using rationalist models, among them the Falklands War.

## 5. Rationalist Explanation - Disagreement of Relative Power due to Imperfect Information

John Arquilla and María Moyano Rasmussen contributed to the rationalist family of analysis by first refuting diversionary strategy theory. Diversionary strategy was not a "determining factor in the junta's decision to invade," the two authors contended, because it was built on the assumption that the government needed public support, which was not the case for the Argentine government in 1982. [6] The repression of the military regime, especially the success of the "Dirty War", infused "a culture of fear which pervaded every sphere of human relations" and removed public support as a prerequisite of military rule. [6] The second flaw in diversionary strategy theory was timing, an issue Levy and Vakili also mentioned in their argument against the scapegoat theory. The Argentine military landed on the Falkland Islands, initiating the invasion, 2 days before the Argentine government suppressed a massive labor protest which the original scapegoat argument considered a crisis that the government needed to divert public attention away from. Even if the Argentine government desperately wanted public support, it didn't launch the invasion of the islands with that as a motivation. The third flaw was the diversionary theory's topic of interest itself. Diversionary strategy theory investigated the origins of an aggressive foreign policy, not those of wars. However, there was a clear distinction between Argentina's *invasion* of the islands and its *declaration of war* on Britain one month after the initial occupation of the islands.

The disagreement of relative military power, Arquilla and Rasmussen argued, was the primary motivation behind the Galtieri administration's decision to declare war. In the ten-year period before the war, Argentine military power rose while the British military declined, providing Buenos Aires with unprecedented military confidence. Take military spending as an example: between 1972 and 1981, Argentine defense spending doubled, in real terms, despite generally straitened economic circumstances, while British defense spending stayed flat since détente disincentivized military funding and lasted until around 1979. [6] The result of Argentine military expansion led to similar strength between Argentine and British combat forces during the Falklands War. Arquilla and Rasmussen presented a table to compare the strength of British and Argentine combatants in the Falklands War, which showed that the two armies were evenly matched — the British navy had a slight advantage over their adversaries while its army and airforce had a slight disadvantage against Argentine forces. [6] Despite possessing similar military strength to Britain in the war, Argentina was much more prepared than Britain to engage in a South Atlantic war. While the British army was mainly trained to fight a land war with WTO (Warsaw Treaty Organization) nations in European terrains, the Argentine army practiced military operations in the South Atlantic for regional dominance. However, what the Argentine military did not know was the potential of a fully mobilized British army: the British not only had superior weapons and more elite soldiers but also more mature commanders and combat tactics. US mediation before and during the beginning of the war also gave the military junta a false signal of support. Esteban Takacs, former Argentine ambassador to the US, stated that the junta sent multiple, clear signals to the US government that diplomacy has failed in 1982. [7] A sponsor of South American military dictatorships, the US not only deviated from its

traditional South American strategy but also chose to side militarily with the British during the war. Nevertheless, one would be arguing with a hindsight bias if one claimed that the Argentine leadership would not initiate a war had it known British military potential and American support for Britain. The closing gap between the strength of the two nations provided a logical explanation for Argentina's willingness to initiate a rationalist war and its belief that it could retrieve and defend the Falklands Islands, a region it had claimed for over a century.

## 6. Rationalist Explanation - Issue Indivisibility

As one of Fearon's major proposals in his rationalist war theory, issue indivisibility offers a unique perspective on the reasons behind bargaining failures. An indivisible issue causes conflict between the two parties because negotiation over such an issue usually leads to a zero-sum game, a game theory term used to describe a scenario where a party's gain of utility means another's loss of that utility. For instance, the ownership of a toy car is an indivisible issue for two children because child A's ownership of the car inevitably results in child B's lack of ownership of the toy car. To contextualize this problem in Fearon's simple bargaining diagram, issue indivisibility shifts potential settlement utility values to 0 or 1, outcomes that will not satisfy both parties.

Political scientists Hensel and Mitchell constructed the Issue Correlates of War (ICOW), a model that assessed the degree of indivisibility of territorial disputes from 1816 to 2001 in western Europe and the Americas, including those over the Falkland Islands. Hensel and Mitchell identified *tangible* and *intangible* contents of territories as two distinct components of indivisibility. Examples of tangible contents included strategic advantage that allowed "control of trade or communications routes" and better "military position relative to rivals", as well as "valuable resources (oil, minerals, or fresh water)"; examples of intangible attributes included "national identity," "ethnic, linguistic, or religious compatriot." [8] The salience index, which evaluated issue indivisibility on a scale of 0 to 12, thus consisted of tangible factors and intangible factors, each ranging from 0 to 6.

A high salience score of Argentina and British dispute over the Falkland Islands indicated that the Falklands War was potentially a result of indivisibility. The authors categorized the Falkland Islands disputes into maritime and territorial issues. For the maritime issue (on the territorial waters around the islands), the Falklands received an ICOW salience score of 9, placing it in the top 15% among 225 territorial conflicts in the data set. Meanwhile, although the score for the territorial disputes of the islands themselves was only 7, it was still above the average ICOW salience score of 6.46. [8] On average, the tangible and intangible subscores for the war were both 4. With respect to the tangible contents, the islands maintained a permanent population throughout the history of the dispute and the oceanic regions in proximity contained valuable oil and fishery resources, and served as an important maritime checkpoint between the South Atlantic and Pacific; on the other hand, the island was of great intangible value historically as a British colony and Argentine homeland. Hensel and Mitchell's analysis revealed that the Falkland dispute was far beyond a mere national sovereignty disagreement and the indivisibility of the issue that arose from the complexity of different factors of bargain led to full-scale war. [9] [10]

The emergence of rationalist explanations of war was a major development in international relations. Before the existence of such a clear mathematical model, most scholars would simply argue that any war was unwanted because both parties would be better off if the same negotiation results can be achieved without a war. With rationalist literatures, once the readers was able to understand the complex mathematical proofs, they would find it much easier to quantitatively evaluate the difference causes of war, making historical comparisons more feasible. Rationalism, as a political science tool, propelled *realpolitik* to become one of the most widely accepted perspectives of the cause of war.

## 7. Rallying around the Flag

Rallying around the flag was defined as an effect that describes the "increase in support for the government caused by involvement in international conflict." There were many theories to why the rally effect occurred: the patriotism that usually rose during turbulent times, people's dependence on government agencies' stability during conflicts, a proof of the ruling party's governing ability with belligerent foreign policies, or in some cases the intensification of censorship in the times of instability. The "rally effect" was, however, not a very consistent phenomenon. In the last few decades, scholars conducted extensive academic researches on reactions to US politics and public opinion in the 20th-century warfare to prove the existence of the "rally effect" and found that rally effects in the US were short-lived even when they did occur, which was a rare case itself.

Lai and Reiter, though, studied the "rally effects" in the Falklands War using their statistical model to evaluate the presence of the rally effects when the UK faced an international conflict. The sample of their study was five major international conflicts that the UK was heavily involved in after World War II: the Korean War, the Suez Crisis, the Falklands War, the Gulf War, and the Kosovo War. Using a highly complex model that consisted of different variables that political scientists had used, such as the 1948-2001 UK party vote intention series, UK public opinion records, public opinion decay integration analysis, International Crisis Behavior data, a number of regular economic control variables, and regular political control variables. Statistically analyzing the effects of conflicts generated clearer results. For example, the authors found that the Party Vote Intention, a part of the Effect of Rally index, increased by 11 percent in the first month of the Falklands War, then 6 percent in the second, 3.5 in the third, and 2 in the fourth. [11] This data confirmed the findings of other studies that the "rally effect" decreased quickly after the initiation of an international conflict. The way Lai and Leiter conducted their research and evaluated the presence of the rally effect in British motivation to participate in the Falklands War reflected the rise of statistical analysis in political science. Lai and Leiter built their methods of evaluation on basic indexes used by many other researchers. A large amount of quantitative data gave historians clearer trends.

Despite the relatively weak impact of the "rally effect," the two authors argued that the intention to trigger a "rally effect" was a reason why the Thatcher administration belligerently responded to the Argentine invasion of the Falkland Islands. Thatcher and her fellow conservatives wanted to generate a rally effect in 1982 by responding toughly against the Argentine invasion instead of following its decolonization process. Indeed, while the Conservative Party had a declining support rate due to a contracting global and British economy in early 1982, it eventually won the 1983 general election with a large margin of victory, one of its best results since 1935 when Stanley Baldwin became PM. The rally effect resulted from the victory of the Falklands War decayed by then, but it was definitely a tool the Thatcher administration used to persevere through hard times. Lai and Leiter proved their argument both from a cause-and-effect and a statistical point of view.

It was important to distinguish the rally effect theory from the diversionary strategy theory, though. While diversionary strategy was relative to a forced belligerent response aimed to redirect public attention away from a terrible domestic situation, attempting at causing a rally effect was a more spontaneous action. In Lai and Leiter's words, the existence of the rally effect was the prerequisite of a diversionary strategy because, when employing such a strategy, "leaders assume the existence of a rally effect, so when their approval ratings start to decline or they face crises at home they respond by initiating international crises abroad as a means of diverting attention away from domestic problems." [11] From this perspective, the rally effect theorists seemed to be following Carl von Clausewitz's theories of the origins of war in his famous work *On War*, "war is a bare continuation of political intercourse, with the addition of other means (*Der Krieg ist eine bloße Fortsetzung der Politik mit anderen Mitteln*)." [12]

## 8. Conclusion

Three main arguments contributed to the historical debate around the origins of the Falklands War: diversionary strategy theory, Rationalist Explanations for War, and rally around the flag effect. In a larger perspective, these three theories reflected some of the development of international relations and political science theories on the causes of war. Diversionary strategy theory was more traditional for its emphasis on the economic incentives of war and its relationship to the need for patriotism and ruling party support; rationalist literature and rationalism emerged in the late 20th century as a new theoretical approach to the explanation of war as it provided scholars with a more quantifiable and visually intuitive reasoning process; the rally around the flag effects built on large sums of empirical data and statistical analysis by other scholars to achieve a similar effect. In fact, there were other more minor arguments involved in the historical debate of the cause of the Falklands War, such as civil-military relationship and reputation; the former argument stated that the less democratic and less civilian-involved a regime was, the more belligerent foreign policy it would establish, and the later contended that Britain actively pursued war to preserve its "tough" reputation and deter decolonization. The debate also reflected the larger development of the theories on the motivations of wars, such as economic reasons, rationalist needs, and political extension. The usage of data collection and mass sets of analysis of historical events to find patterns were also present.

Observing and understanding the historiography of the origins of the Falklands War would enlighten us about the historiography of wars in general. Traditional war studies mainly framed war through three aspects: the individual, the nation-state, and the international system. However, while this analysis addressed the causes of international disputes on three different levels, it failed to address why disputes would escalate into war. The theories mentioned in this article revealed the direct causes of war through imperfect information, commitment problems, and issue indivisibility in the interaction between countries, which went beyond the mere three levels of individual-state-system concerned by previous war studies. Rationalism focuses on the level of strategic interaction between countries, introducing more clarity to the study of international relations through precise mathematics. Of course, rationalism's applicability does not only limit to war analysis. In fields such as international cooperation amid economic crisis and conflicts, rationalism also has profound policy implications and can provide logical decision-making strategies for the international community.

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