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FALKLAND ISLANDS

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130 (37)

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PS/S OF S FOR DEFENCE

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TREASURY

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CONFIDENTIAL

FM MADRID Ø 315ØØZ MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 239 OF 3 MAY

INFO IMMEDIATE WASHINGTON UKMIS NEW YORK

INFO PRIORITY UKDEL . NATO MODUK(DI3 WEST) UKREP BRUSSELS

THE FALKLANDS: SPANISH GOVERNMENT'S POSITION.

1. THE SPANISH GOVERNMENT'S FIRST STATEMENT ON THE FALKLANDS CRISIS, JUST AFTER THE ARGENTINE INVASION, SUPPORTED ARGENTINA ON THE ISSUE OF SOVEREIGNTY BUT MADE A GENERAL COMDEMNATION OF THE USE OF FORCE (MY TELNO 222). THEIR SECOND STATEMENT ON 2 MAY (MY TELNO 234) REAFFIRMED SPAIN'S POSITION ON THE SOVEREIGNTY ISSUE BUT SPECIFICALLY LINKED THE CONDEMNATION OF THE USE OF FORCE WITH THE BRITISH AIR ATTACK ON PORT STANLEY. IT MADE NO REFERENCE TO INITIAL ARGENTINE AGGRESSION OR TO RESOLUTION 502. THE SPANISH PRIME MINISTER'S REMARKS (MY TELNO 237), IF REPORTED CORRECTLY, CRITICISED BRITAIN'S PERFORMANCE IN NEGOTIATIONS WITH ARGENTINA AND SUGGESTED THAT SPAIN'S OFFER TO MEDIATE HAD BEEN PUT TO ARGENTINA ALONE.

NEGOTIATIONS WITH ARGENTINA AND SUGGESTED THAT SPAIN'S OFFER TO MEDIATE HAD BEEN PUT TO ARGENTINA ALONE.

2. PEREZ LLORCA MAY YET ATTEMPT TO PUT A FAVOURABLE GLOSS ON
THESE STATEMENTS AND TO ARGUE THAT, IN ITS SUPPORT FOR A
PEACEFUL SOLUTION, SPAIN REMAINS NEUTRAL. BUT FOR PRACTICAL
PURPOSES THE SPANIARDS HAVE NOW COME OFF THE FENCE AND RANGED
THEMSELVES WITH ARGENTINA. THERE IS NO QUESTION OF THEIR ACTING OUT
OF SIMPLE IGNORANCE. THE LOCAL MEDIA, WHILE INCLINED TOWARDS ARGENTINA,
HAS REFLECTED MAJOR BRITISH MINISTERIAL STATEMENTS. I HAVE MADE
OUR POSITION AMPLY CLEAR TO PEREZ LLORCA ON NUMEROUS OCCASIONS,
AS WELL AS TO OTHER MINISTERS.

3. WHY HAVE THEY APPARENTLY NOW DECIDED TO ABANDON THEIR PREVIOUS NEUTRALITY? WITHOUT DOUBT THE UNDERLYING MOTIVE IS THE GIBRALTAR QUESTION. THIS AUTOMATICALLY PROVIDES COMMON GROUND AGAINST 'BRITISH COLONIALISM''. WITHIN SPAIN THERE IS COMPLETE SOLIDARITY ON THIS. THE GOVERNMENT NEEDS TO PAY PARTICULAR ATTENTION TO POPULAR FEELING, WITH CAMPAIGNING FOR THE IMPORTANT REGIONAL ELECTIONS IN ANDALUCIA AT THE END OF THIS MONTH NOW IN FULL SWING . EMOTIONAL TIES WITH LATIN AMERICA ALSO REMAIN STRONG. THE AMERICAN GOVERNMENT'S DECISION TO SIDE OPENLY WITH BRITAIN MUST HAVE INCREASED THE TEMPTATION TO DISPLAY TRADITIONAL SOLIDARITY WITH THE COUNTRIES OF LATIN AMERICA, PARTICULARLY AS SUPPORT FOR ARGENTINA HERE INCREASES. RESENTMENT OF THE UNITED STATES REMAINS CONSIDERABLE, IF LATENT, HERE. NEVERTHELESS, THE LATEST SPANISH STATEMENTS ARE UNHAPPILY TIMED, WITH PEREZ LLORCA DUE TO VISIT WASHINGTON THIS WEEK AND WITH NEGOTIATIONS ON AMERICAN BASES IN SPAIN CONTINUING.

4. PEREZ LLORCA AND OTHER MINISTERS NO DOUBT FULLY UNDERSTAND THE DANGERS OF DISTANCING THEMSELVES FROM NATO, FROM THE EC AND FROM THE EUROPEAN COUNTRIES REPRESENTED IN THE COUNCIL OF EUROPE. BUT PEREZ LLORCA HAD ALREADY WARNED ME OF DIFFERING VIEWS INSIDE HIS OWN MINISTRY, LET ALONE WITHIN THE CABINET (MY TELNO 208). THE FACT REMAINS THAT SPANISH POLICY IS SHIFTING WITH EVENTS IN THE SOUTH ATLANTIC. THE BRITISH MEASURES AGAINST PORT STANLEY AND THE ARGENTINE CRUISER HAVE ADDED TO THE PRESSURES ON A WEAK, AND PERHAPS DIVIDED, GOVERNMENT TO FOLLOW PUBLIC OPINION AND PLUMP FOR THE ARGENTINES. IT REMAINS TO BE SEEN HOW FAR THIS APPARENT IDENTIFICATION WITH ARGENTINA IS A COSMETIC AND TEMPORARY DEVICE TO HELP OVERCOME DOMESTIC CRITICISM IN THIS CRITICAL ELECTORAL PERIOD BEFORE THE CONCLUSION OF THE TRIALS OF THE 23 FEBRUARY PLOTTERS. BUT I SHALL LOSE NO 4 OPPORTUNITY OF REMINDING MINISTERS HERE OF THE HAZARDS OF THIS COURSE FOR THEIR EUROPEAN POLICY. MY COMMUNITY AND

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PARSONS

NNNN

CCN: PARA 2 LINE 6 PLEASE READ 'TOWARDS ARGENTINA'

SENT/RECD AT Ø3/1542Z PJ/

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