CONFIDENTIAL GRS 123 CONFIDENTIAL FM MADRID 171535Z AUG 81 TO IMMEDIATE FCO TELEGRAM NUMBER 275 OF 17 AUGUST M.I.P.T. : SECRETARY OF STATE'S DINNER WITH PEREZ-LLORCA 1. THE SECRETARY OF STATE FLOATED THE IDEA OF CALVO SOTELO VISITING LONDON LATER THIS YEAR, ASKING WHETHER THIS WOULD BE HELPFUL OR OTHERWISE IN THE NATO AND GIBRALTAR CONTEXT. HE WAS SURE THAT THE PRIME MINISTER WOULD BE GLAD TO SEE HIM DESPITE THE EXPECTED PRESS OF BUSINESS AFTER THE HOLIDAYS. AFTER CONSULTING CALVO SOTELO PEREZ-LLORCA SAID THAT SUCH AN INVITATION WOULD BE VERY WELCOME. BUT CALVO SOTELO HAD ASKED THAT DATES BOTH OF THE VISIT AND OF ITS ANNOUNCEMENT SHOULD BE CAREFULLY CONCERTED. 2. THE SPANIARDS HAVE MADE NO MENTION OF THIS IN THEIR BRIEFING ON THE MEETING. MAUD [COPIES SENT TO NO 10 DOWNING STREET] LIMITED SED PS/LPS WED PS/PUS NAD MR FERGUSSON EESD MR URE ECD MR BRAITHWAITE MED MR GILLMORE NENAD SIR J GRAHAM NEWS D LORD N G LENNOX INFORMATION DEPT PS CONFIDENTIAL

Prime minister

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The attached telegram what the prosprincing of a visit to merrix by calvo sobelo.

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TELEGRAM NUMBER 274 OF 17 AUGUST INFO PRIORITY GIBRALTAR (PERSONAL)

INFO ROUTINE UKDEL NATO PARIS LISBON WASHINGTON MOSCOW SECRETARY OF STATE'S DIMNER WITH PEREZ-LLORCA : GIBRALTAR 1. THE SECRETARY OF STATE BROKE HIS HOLIDAY TO DINE INFORMALLY WITH PEREZ-LLORGA ON 16 AUGUST. DURAN AND I ALSO ATTENDED. THE TALK WAS FRANK AND AMICABLE AND THE SPANIARDS HAVE BRIEFED THE PRESS POSITIVELY. THOUGH A WIDE RANGE OF TOPICS WAS COVERED, GIBRALTAR TOOK UP MORE THAN HALF THE EVENING.

2. THE SECRETARY OF STATE BEGAN BY WARNING PEREZ-LLORCA NOT TO MISREAD BRITISH PRESS REACTIONS TO THE PRINCE OF WALES' VISIT TO GIBRALTAR: THEY WOULD HAVE HOWLED JUST AS LOUDLY HAD GIBRALTAR BEEN AVOIDED. THOUGH KING JUAN CARLOS' ABSENCE HAD BEEN REGRETTED THE MOOD OF PARLIAMENT HAD BEEN UNMISTAKABLE. WE MUST NOW LOOK FOR WAYS OF CARRYING MATTERS FORWARD: WHAT ABOUT OPENING THE FRONTIER?

3. PEREZ-LLORCA MADE MJCH PLAY WITH THE IMPENDING PARLIAMENTARY LEBATE ON NATO ENTRY. ATTENTION WOULD NOW BE MORE CLOSELY FOCUSSED ON GIBRALTAR. THE GOVERNMENT EXPECTED TO BE ATTACKED BY THE SOCIAL-ISTS FOR ACCEPTING GIBRALTAR'S CONTINUING STATUS AS A MILITARY BASE. THEY WOULD THEREFORE WISH TO DEMONSTRATE SOME MOVEMENT ON THIS ASPECT. COULD WE THEREFORE AGREE TO THE SPANISH GOVERNMENT'S USING LANGUAGE IN THE PARLIAMENTARY DEBATE STATING BRITAIN'S READINESS TO COLLABORATE ON DEFENCE QUESTIONS IN GIBRALTAR ONCE THE FRONTIER WAS RE-OPENED, IN THE CONTEXT OF SPANISH MEMBERSHIP OF NATO? TO DO SO WOULD DISPLACE ATTENTION IN GIBRALTAR FROM THE ISSUE OF SOVEREIGNTY, TO WHICH GIBRALTARIAN OPINION WAS OBVIOUSLY ALLERGIC TO THAT OF DEFENCE, FOR WHICH BRITAIN ALONE WAS RESPONSIBLE. SPAIN ALSO WANTED TO REASSURE GIBRALTARIAN OPINION ABOUT HER POLITICAL INTENTIONS. TO THIS END HE AND CALVO SOTELO HAD BEEN CONSIDERING A SPECTACULAR GESTURE LIKE A VISIT BY HIMSELF OR EVEN THE PRIME MINISTER TO GIBRALTAR TO DISCUSS THE FUTURE STATUS OF GIBRALTARIANS WITH SIR J HASSAN.

4. THE SECRETARY OF STATE WARNED PEREZ-LLORCA OFF THE LATTER IDEA. SUCH A VISIT RISKED LOOKING FORCED AND ARTIFICIAL AFTER SO MANY YEARS' CLOSURE OF THE FRONTIER. IT WOULD BE BETTER TO TALK ABOUT THIS TO US IN THE NEGOTIATIONS FOR WHICH THE LISBON AGREEMENT PROVIDED. BUT HE SAID THAT IN THE CIRCUMSTANCES OF A RE-OPENED FRONTIER AND SPANISH MEMBERSHIP OF NATO, DEFENCE COOPERATION WOULD CLEARLY MAKE SENSE. THE EXPERTS SHOULD THEREFORE BE CHARGED WITH DRAWING UP LANGUAGE FOR USE IN THE SPANISH PARLIAMENTARY DEBATE. BUT HE ALSO EMPHASISED STRONGLY BOTH THE NEED FOR SPAIN TO USE NATO ENTRY AS THE RIGHT MOMENT FOR RE-OPENING THE FRONTIER, WHICH IF MISSED COULD /LEAD

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COMMUNITY FRONTS LATER ON. HE ALSO SAID THAT THERE WAS NO WAY THAT THE BRITISH GOVERNMENT COULD DEFEND THEIR SUPPORT FOR SPANISH MEMBERSHIP OF NATO AND FOR NEW FORMS OF DEFENCE COLLABORATION IN GIBRALTAR SAVE IN THE CONTEXT OF SPAIN'S IMPLEMENTING THE LISBON AGREEMENT AND THE OPENING OF NEGOTIATIONS.

- PEREZ-LLORCA SAID THAT SPAIN WAS DETERMINED TO RE-OPEN THE FRONTIER AND THAT PREPARATIONS FOR THIS WERE NOW COMPLETE. HE GAVE NO DATES, HOWEVER, AND LEFT THE IMPRESSION THAT TIMING WOULD DEPEND ON THE TIMETABLE OF HER JOINING NATO. HE DID NOT EXPECT NATO'S PROCEDURES TO BE COMPLETED BEFORE EARLY NEXT YEAR. HE REPEATED THAT SPAIN'S SIGNATURE OF THE NATO TREATY WOULD BE UNCONDITIONAL. HAVING JOINED, SHE WOULD SETTLE THE DETAILS OF HER INTEGRATION INTO THE MILITARY STRUCTURE. THESE SHOULD INCLUDE NEW ARRANGEMENTS FOR MILITARY COMMANDS WHICH WOULD HAVE TO EMBRACE THE GIBRALTAR AREA.
- 6. IT WAS AGREED THAT LANGUAGE ON DEFENCE COOPERATION SHOULF BE WORKED OUT BY EXPERTS IN TIME FOR THIS TO BE USED BY THE SPANISH GOVERNMENT IN THE NATO DEBATE NEXT MONTH. THE SECRETARY OF STATE SIGGESTED AT THE AIRPORT THAT THIS SHOULD BE PUT IN HAND SOON.

 DURAN HAD ALREADY SUGGESTED THAT DISCUSSION COULD PERHAPS BEGIN NEXT THURSDAY 20 AUGUST.
- 7. MINISTERS ALSO DISCUSSED SPAIN'S EC NEGOTIATIONS AND RELATIONS WITH FRANCE, AS WELL AS THE MIDDLE-EAST, NORTH AFRICA AND POLAND. NOTHING STARTLING EMERGED. DETAILED RECORD FOLLOWS BY BAG.
 MAUD [COPIES SENT TO NO 10 DOWNING STREET]

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