

Gibraltar

P.S. TO NO. 10. DOWNING ST.

C O N F I D E N T I A L

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FM ECO 201035Z JAN 82

TO PRIORITY MADRID

TELEGRAM NUMBER 23 OF 20 JANUARY

INFO GOVERNOR GIBRALTAR (PERSONAL).

GIBRALTAR: THE LISBON NEGOTIATIONS

1. WE NOW NEED TO DECIDE ON PRELIMINARY TACTICS FOR DEALING WITH THE RUN-UP TO THE LISBON MEETING ON 20 APRIL. THERE ARE TWO ASPECTS TO THIS:

- (A) PRACTICAL ARRANGEMENTS BEFORE THE FRONTIER OPENS, AND
- (B) THE NEGOTIATIONS PROPER.

ON (A) YOU NOW HAVE MY TELNO 20. OUR OBJECTIVE SHOULD BE TO GET PRACTICAL, WORKING LEVEL, DISCUSSIONS ARRANGED AS SOON AS POSSIBLE DURING THESE WE MUST AVOID GETTING INTO A SITUATION WHERE PRACTICAL ARRANGEMENTS ARE DELAYED BY DOCTRINAL DISPUTES WHICH CAN ONLY BE SOLVED AT A HIGHER LEVEL, PROBABLY IN THE NEGOTIATIONS THEMSELVES.

2. ON (B) WE MUST AVOID BEING RUSHED. THE SPANIARDS HAVE A NEED TO SHOW EARLY PROGRESS AT THE NEGOTIATIONS ON MATTERS OF IMPORTANCE TO THEM, IE EQUALITY FOR SPANIARDS IN GIBRALTAR AND THE SOVEREIGNTY ISSUE. WE TOO WILL WANT TO FIND WAYS OF DEMONSTRATING THAT IMPLEMENTING THE LISBON AGREEMENT HAS BEEN MARKED BY POSITIVE PROGRESS. BUT OUR EMPHASIS WILL BE ON PRACTICAL MEASURES TO IMPROVE RELATIONS IN THE GIBRALTAR AREA. ON SOVEREIGNTY IN PARTICULAR WE NEED TO PLAY IT VERY LONG. ON ALL ISSUES WE MUST AVOID ANY ATTEMPT AT PRE-NEGOTIATION. FURTHERMORE, SOVEREIGNTY CAN ONLY BE DEALT WITH AT MINISTERIAL LEVEL AND, NORMALLY, WITH GIBRALTARIAN LEADERS PRESENT.

3. DURING THE LONDON VISIT PEREZ-LORCA IMPLIED THAT THE

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SPANIARDS WOULD PUT TO US SOME OF THEIR IDEAS ON SOVEREIGNTY BEFORE THE LISBON MEETING. YOU SHOULD DO NOTHING TO HASTEN THIS. IF THEY DO SO, YOU SHOULD CONFINE YOURSELF TO TAKING NOTE AND SAYING THAT YOU WILL TRANSMIT THEIR SUGGESTIONS TO LONDON SO THAT THEY CAN BE STUDIED. YOU SHOULD AVOID ANY SUGGESTION THAT WE WOULD BE PREPARED TO HELP THEM REFINE IDEAS ON SOVEREIGNTY QUESTIONS IN ADVANCE OF THE LISBON MEETING. YOU SHOULD ALSO SEEK TO AVOID ANY LINKAGE BETWEEN THE PRACTICAL PLANNING AS IN PARA 1(A) AND THE NEGOTIATIONS PROPER.

4. WE ARE WORKING ON THE PRACTICAL PROBLEMS WHICH WILL HAVE TO BE DEALT WITH AT THE LISBON MEETING AND ON AREAS WHERE WE CAN SUGGEST MEASURES FOR ECONOMIC AND CULTURAL CONTACTS BETWEEN GIBRALTAR AND THE CAMPO. AT A LATER STAGE WE MAY WISH TO GIVE THE SPANIARDS ADVANCE WARNING OF WHAT WE EXPECT TO RAISE IN ORDER TO ENHANCE THE CHANCES FOR AGREEMENT AT LISBON ON MATTERS OF PRACTICAL COOPERATION. BUT TO RAISE THIS TOO EARLY WOULD RISK GETTING INVOLVED IN PRE-NEGOTIATION. IF, MEANWHILE, THE SPANIARDS ASK YOU HOW WE SEE THE NEGOTIATIONS IN LISBON BEING CONDUCTED, YOU SHOULD SAY THAT WE WILL APPROACH THEM IN A POSITIVE MANNER. WE HOPE THEY WILL PRODUCE EARLY, PRACTICAL, RESULTS IN INCREASED COOPERATION AND UNDERSTANDING AS ENVISAGED IN THE LISBON STATEMENT WE WILL HAVE IDEAS TO PUT FORWARD TO HELP ACHIEVE THIS, BUT WITH THE MEETING NOT UNTIL MID-APRIL, IT IS STILL TOO EARLY TO LOOK AT THESE IN DETAIL. IF THEY HAVE IDENTIFIED AREAS FOR PROGRESS ON PRACTICAL COOPERATION, WE WOULD CERTAINLY BE WILLING TO KNOW ABOUT THEM TO ASSIST IN OUR OWN FORWARD PLANNING.

5. AT SOME POINT WE WILL NEED TO AGREE WITH THE SPANIARDS A BROAD AGENDA FOR THE LISBON MEETING, BUT WE WOULD PREFER TO LEAVE THIS UNTIL MUCH NEARER THE TIME.

6. WE WILL ALSO BE CONSIDERING OVER THE NEXT TWO MONTHS HOW TO PLAY THE MEETING ITSELF SO AS TO MAKE SOME DEFINABLE PROGRESS ON PRACTICAL MATTERS WITHOUT (WHILE ALLOWING THE SPANIARDS THEIR SAY) GETTING HUNG UP ON THE SOVEREIGNTY ISSUE. WE WOULD WELCOME YOUR IDEAS ON THIS.

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MR GOODISON

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C O N F I D E N T I A L

PRIME MINISTER

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Sub

Gibraltar

The Lord Privy Seal is considering whether to make a statement or respond to an inspired PQ in the House next week, following your talks with the Spanish Prime Minister. The FCO have enquired whether you had it in mind to make a statement.

I think we should leave this to the FCO. The opening of the border is very much a matter for them. Nor do I think there is much credit to be gained in the House for a statement on this event.

Agree that the FCO should make their own arrangements?

Yes msk

ASC

12 January, 1982.

Mr. [unclear] Thanks [unclear]

A.S.C. 13/11

Gibraltar

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R 091050Z JAN 82
FM GIBRALTAR
TO RBDWDF/FCO LONDON
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FROM GIBRALTAR 091050Z JAN 82
TO ROUTINE FCO AND MADRID TEL NO PERSONAL 11 OF 9 JAN
DESKBY 110900Z JAN

GIBRALTAR REACTION TO DISCUSSIONS WITH SPANISH PRIME MINISTER.

1. THE CAREFUL PREPARATION OVER RECENT DAYS HAS PAID OFF WELL WITH HASSAN AND ISOLA, BOTH OF WHOM HAVE WELCOMED THE IMPLEMENTATION OF THE LISBON AGREEMENT AND HAVE SPOKEN POSITIVELY ABOUT FUTURE RELATIONS WITH SPAIN.
2. BOTH MEN HAVE STRESSED THAT THEIR FAITH IN BRITAIN HAS BEEN JUSTIFIED BY THE WAY IN WHICH YOU HAVE STOOD FIRM OVER THE LAST 20 MONTHS. THE TERMS AGREED SHOW THAT THE LISBON DECLARATION HAS NOT BEEN RENEGOTIATED AND THAT NOTHING HAS BEEN GIVEN AWAY.
3. LOOKING TOWARDS THE FUTURE, HASSAN HAS ENCOURAGED THE VIEW THAT NORMAL CONTACTS ON A FRIENDLY BASIS WITH NEIGHBOURING SPAIN SHOULD BE THE AIM AND THAT PEOPLE IN A FREE SOCIETY SHOULD MOVE ACROSS THE FRONTIER AS AND WHEN THEY WILL. TO VISIT SPAIN AND ENJOY THOSE CONTACTS WILL NOT BE A SIGN OF DISLOYALTY TO GIBRALTAR. PRESSED ABOUT THE FACTORS WHICH HAVE LED SPAIN TO AGREE TO IMPLEMENTATION, HASSAN SPOKE SENSIBLY ABOUT THE UNCERTAINTIES OF SPANISH POLITICAL LIFE IN RECENT TIMES WHICH MADE THE SPANISH GOVERNMENT CAUTIOUS ON A SUBJECT ABOUT WHICH FEELINGS WERE NATURALLY STRONG. HE EXPRESSED ADMIRATION FOR THE DEVELOPING DEMOCRACY IN SPAIN.
4. ISOLA STRESSED THE FIRMNESS OF BRITAIN'S STAND, SAYING THAT NOTWITHSTANDING HMGS WISH TO IMPROVE ITS RELATIONS WITH SPAIN, THEY HAD STOOD BY THEIR COMMITMENT TO GIBRALTAR. HE HOPED THAT IN THE FUTURE, DESPITE THE INEVITABLE PRESSURES WHICH WOULD ARISE, PEOPLE WOULD NOT THINK IN TERMS OF WINNERS AND LOSERS, OTHER THAN TO THE

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EXTENT THAT THE WINNER SHOULD BE THE RESPECT FOR THE DEMOCRATICALLY EXPRESSED WISHES OF THE PEOPLE CONCERNED. HE DID NOT EXPECT THE QUESTION OF GIBRALTARS LONG TERM FUTURE TO BE EASILY OR QUICKLY RESOLVED.

5. NEITHER HASSAN NOR ISOLA SHOWED ANY NERVOUSNESS ON THE SOVEREIGNTY ISSUE, WHICH THEY REGARDED AS ADEQUATELY PROTECTED BY THE CONSTITUTIONAL GUARANTEE AND THE BRITISH PARLIAMENT. BOTH WERE CLEARLY SATISFIED BY THE ROLE ENVISAGED FOR THEM AS PAR OF THE BRITISH DELEGATION IN THE FORTHCOMING TALKS.

6. HASSAN HAS BEEN INTERVIEWED BY MANY SPANISH JOURNALISTS OVER THE LAS 24 HOURS AND THE INDICATIONS ARE THAT THESE HAVE GONE WELL. WE UNDERSTAND THAT YESTERDAY EVENING HE HAD A LIVELY INTERVIEW ON SPANISH NATIONAL RADIO WHERE HE FELT HIMSELF SOMEWHAT PROVOKED, AND HAD TO GIVE AS GOOD AS HE GOT, BUT OVERALL HIS INTENTION SEEMS TO BE TO LOOK FORWARD RATHER THAN BACK.

7. BOSSANO INEVETABLY IS CRITICAL OF THE AGREEMENT, WHICH HE FELT AROSE FROM SPAINS DETERMINATION TO JOIN NATO AND AMERICAN PRESSURE ON BRITAIN TO AGREE TO THIS. HE ARGUED THAT THE AGREEMENT HAD TO BE SEEN IN TERMS OF THE DECISION TO CLOSE THE DOCKYARD AND BRITAINS FUTURE AID PROGRAMME. THE SUSTAIN AND SUPPORT PROGRAMME WAS TIED TO BORDER CLOSURE AND BRITAIN WOULD NOW NO DOUBT BE DISPOSED TO BE LESS HELPFUL IN PROVIDING AID NECESSARY TO HELP THE DOCKYARD AND THE ECONOMY AT A CRITICAL JUNCTURE. HIS PROTEST RALLY PLANNED FOR YESTERDAY WAS CANCELLED DUE TO LATE ARRIVAL OF MR. SILKINS AIRCRAFT. IT HAS BEEN RESCHEDULED FOR THIS AFTERNOON.

JACKSON
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MR HANNAY
MR GILLMORE

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FROM GIBRALTAR 081134Z
TO PRIORITY FCO TELNO PERSONAL 9 OF 8 JANUARY
INFO ROUTINE MADRID

YOUR TELNO 6: GIBRALTAR

MANY THANKS FOR THIS PROMPT AND CLEAR GUIDANCE. I SAW
HASSAN AND ISOLA AT NOON. THEY WRE MUCH ENCOURAGED BY THE
CLARIFICATION I WAS ABLE TO GIVE HEM AND NOW SEEMED DISPOSED
TO PLAY A POSITIVE ROLE IN THE PRESENTATION OF THE NEW
ARRANGEMENTS

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FROM FCO 081625Z JAN 82
TO FLASH GIBRALTAR
TELEGRAM NUMBER PERSONAL 8 OF 8 JANUARY

MESSAGE TO THE CHIEF MINISTER AND LEADER OF THE OPPOSITION

1. AFTER RECEIVING CONFIRMATION OF THE ANNOUNCEMENT OF A DATE FOR IMPLEMENTING THE LISBON AGREEMENT, PLEASE CONVEY THE FOLLOWING MESSAGE FROM ME TO SIR JOSHUA HASSAN. YOU MAY GIVE A COPY TO MR ISOLA

BEGINS: I AM VERY PLEASED THAT IT HAS AT LAST PROVED POSSIBLE TO FIX A FIRM DATE FOR IMPLEMENTING THE ARRANGEMENTS AGREED AT LISBON IN APRIL 1980. I KNOW THAT YOU AND YOUR COLLEAGUES ARE CONCERNED THAT INITIALLY AN OPEN BORDER MAY BRING ITS OWN PROBLEMS: BUT I AM SURE THAT OPENING THE BORDER AND THE LIFTING OF RESTRICTIONS WILL BE OF SIGNIFICANT BENEFIT TO GIBRALTAR AND HER ECONOMY IN THE LONGER TERM. I AM SURE ALSO YOU SHARE MY BELIEF THAT IMPLEMENTATION OF THE LISBON AGREEMENT IS A MAJOR STEP TOWARDS THE CREATION OF BETTER RELATIONS BETWEEN THE PEOPLE OF GIBRALTAR AND THEIR CLOSE NEIGHBOURS IN SPAIN: SOMETHING WHICH BOTH YOU AND I HAVE LONG WANTED.

AS YOU KNOW, WE INTEND TO BEGIN NEGOTIATIONS WITH THE SPANISH GOVERNMENT AT MINISTERIAL LEVEL, AS ENVISAGED IN THE LISBON STATEMENT, ON 20 APRIL AND TO HOLD THESE AGAIN AT LISBON. I VERY MUCH HOPE THAT BOTH YOU AND PETER ISOLA WILL BE ABLE TO JOIN ME AS PART OF THE BRITISH TEAM.

ENDS

CARRINGTON

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For ~~IAN~~ R YDD
No 10 press office Gibraltar
cc Phil Carter
APC 9/11/81

Dear Ian,

Calvo Sotelo opened his press conference with this two-page statement. In subsequent questions he kept pretty closely to the statement. Additional points were that the Foreign Ministers meeting ~~xxxx~~ on April 20 would be in Lisbon. All matters pertaining to the position of Gibraltar would be discussed in the negotiations.

He said that the reason the Spaniards were now ready to implement the Lisbon Agreement was their imminent entry into NATO. He stressed several times that the 1969 border restrictions were only being suspended rather than cancelled. Asked why he said it was because the Treaty of Utrecht of 1713 ~~was not~~ had not been rescinded.

He said that Mrs Thatcher and the British Government had the political will to carry the negotiations through to a conclusion. Asked what would happen if there had not been an agreement over Gibraltar by the time Spain was about to join the EC, he said that this was a very pessimistic question.

John Gordon-Walker
8/1/82

During my first visit to London as President of the Government I have had a long meeting with the British Prime Minister, followed by a working luncheon.

This journey must be seen in the context of the European and Atlantic policy of the Spanish Government.

After an exchange of views on the international situation, with particular reference to Poland, we have dealt at length with three matters: the progress of the negotiations for Spain's entry into the Common Market, the invitation extended to Spain to join the Atlantic Alliance, and, naturally, Gibraltar.

I have explained to Mrs Thatcher the growing difficulties in which I find myself in explaining to Spanish public opinion the delay in the negotiations between Spain and the Community; and the urgent necessity that the Community, keeping faith with the spirit of the Treaty of Rome, shall honour its obligations and responsibilities in regard to Spain. The Prime Minister has assured me of her understanding, and of the active backing for our positions by the British side.

As regards Spain's adherence to the Washington Treaty, the British intention of implementing the Parliamentary ratification procedure shortly has been confirmed to me.

However, you are probably more interested in the third part of our conversations, which dealt with the old problem of Gibraltar.

The Spanish Government and the British Government have decided - and Mrs Thatcher and I have so announced it - that the Lisbon Declaration shall be applied as from the 20th April next. On that date our respective Foreign Secretaries will meet in order to put in motion the negotiations directed to resolving the problem of Gibraltar; and at the same time communications will become re-established with the lifting of the measures taken in 1969.

It is a matter of satisfaction for my Government to continue along the road outlined in Lisbon on the 10th April

1960. At that time it was placed on record, on the Spanish side, and I have today re-stated it, that the definitive solution of the problem must be the re-establishment of the territorial integrity of Spain, and that this objective is consistent with the intention expressed by the Spanish Government to the effect that the interests of the Gibraltarians shall be safeguarded.

In no way it is now a question of returning to the 1969 position. We have received assurances on three important points:

- The implementation of the Lisbon Declaration in accordance with its terms.
- The commencement of negotiations intended to resolve all differences over Gibraltar on the very day the barrier is lifted.
- The disappearance of the discrimination against Spaniards in respect of staying overnight in Gibraltar, as also in regard to employment, social security, salaries, and right to join Trade Unions.

The remaining matters relating to the position of Spaniards in Gibraltar will be dealt with in like manner at the same time, pursuant to the principles of reciprocity and equality of rights established in Lisbon; and both sides will take such steps as may become necessary therefor, including measures of a legislative nature.

By way of summary: the only problem, although a grave one, that separates Spain and the United Kingdom has now entered the negotiation stage.

The relations between the two countries must likewise enter a new and promising phase.

Gibraltar

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ZZ MADRID
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FROM F C O 051657Z JANUARY 82
TO FLASH MADRID
TELEGRAM NUMBER 5 OF 5 JANUARY
INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)
YOUR TELNO 4: GIBRALTAR

1. I SPOKE BY TELEPHONE THIS MORNING TO PEREZ LLORCA. HAVING SAID THAT I WAS VERY PLEASED TO HEAR THE DECISION OF THE SPANISH CABINET AND MOST GRATEFUL FOR HIS PERSONAL EFFORTS, I TOLD HIM THAT, IF THERE WAS TO BE ANY PUBLICATION OF LETTERS, I WOULD HAVE PREFERRED BOTH SIDES TO BE PUBLISHED. BUT IN THE INTERESTS OF REACHING AGREEMENT I WAS PREPARED TO MAKE A MAJOR CONCESSION AND ACCEPT THAT ONLY THE LETTER FROM DURAN TO YOU, DEALING WITH POINTS OF CONCERN TO SPAIN, SHOULD BE PUBLISHED.
2. IF THIS WAS DONE IT WAS IMPORTANT FOR US THAT THE LETTER SHOULD NOT BE DISTRIBUTED IN LONDON DURING THE PRIME MINISTER'S VISIT. THIS WOULD ONLY POINT UP THE IMBALANCE IN THE ARRANGEMENT. I HAD HOWEVER NO OBJECTION TO PUBLICATION ON CALVO SOTELO'S RETURN TO MADRID. I ALSO REALISED THAT HE MIGHT WISH TO DRAW ON THE LETTER EXTENSIVELY IN HIS PRESS CONFERENCE IN LONDON. IN ANSWER TO A QUESTION FROM PEREZ LLORCA I SAID THAT I SAW NO OBJECTION TO HIM REFERRING TO WRITTEN ASSURANCES IF HE WISHED.
3. IN ADDITION, IT WAS VERY IMPORTANT THAT CALVO SOTELO SHOULD NOT AT HIS PRESS CONFERENCE SAY ANYTHING ABOUT EG THE SPA AT ODDS WITH THE ASSURANCES GIVEN PRIVATELY TO US AND WHICH WE WOULD THEREFORE HAVE TO CONTRADICT. I WOULD ASK YOU TO BE IN TOUCH WITH THE SPANIARDS ABOUT A SUITABLE FORM OF WORDS WHICH HE COULD USE.
4. FINALLY, I SAID THAT THERE SHOULD BE A BRIEF COMMUNIQUE AFTER THE MEETING OF PRIME MINISTERS ANNOUNCING A DATE FOR NEGOTIATIONS/LIFTING RESTRICTIONS. I WAS FREE TO START NEGOTIATIONS ON 19 OR 20 APRIL, WITH A PREFERENCE FOR THE LATTER. WE SETTLED FOR 20 APRIL. ON THE PLACE FOR A MEETING I SAID THAT I UNDERSTOOD THEIR DIFFICULTIES ABOUT COMING AGAIN TO LONDON.

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WE COULD DISCUSS THE MATTER FURTHER. LISBON MIGHT BE THE MOST APPROPRIATE PLACE. PEREZ LLORCA SAID HE WOULD BE AGREEABLE TO LISBON.

5. PEREZ LLORCA RAISED THE POSSIBILITY OF A JOINT PRESS CONFERENCE. I TOLD HIM I THOUGHT THIS WOULD BE A MISTAKE. THERE WAS A RISK OF QUESTIONS BEING ASKED ABOUT EG SPA WHICH MIGHT PUT CALVO SOTELO IN A DIFFICULT POSITION. PEREZ LLORCA SAID HE WOULD HAVE TO CONSULT HIS PRIME MINISTER ON THIS. HE THOUGHT CALVO SOTELO MIGHT ARRANGE TO HAVE HIS OWN PRESS CONFERENCE ONLY FOR SPANISH JOURNALISTS. I SAID THAT WAS UP TO THEM. WE DID NOT PROPOSE TO HAVE A PRESS CONFERENCE OURSELVES BUT WOULD BRIEF THE PRESS ON THE VISIT IN THE USUAL WAY.

6. PLEASE CONSULT URGENTLY WITH DURAN ABOUT HOW CALVO SOTELO WOULD FIELD QUESTIONS ON THE SPA AT HIS PRESS CONFERENCE. HE MUST USE A FORM OF WORDS WHICH WILL NOT CLASH WITH THE ASSURANCES THEY HAVE GIVEN US WHICH WE WILL PROBABLY BE DRAWING ON THE SAME DAY. A FORMULATION AS IN THE LETTER THEY EARLIER PROPOSED (PARA 2 OF YOUR TELNO 2) WOULD MEET THE NEED.

7. YOU SHOULD ALSO MAKE IT CLEAR THAT THERE IS INTENSE PARLIAMENTARY INTEREST IN SOME OF THE POINTS OF CONCERN TO US COVERED IN YOUR LETTER TO DURAN. MOST OF THE SPANISH ASSURANCES, PARTICULARLY ON AIR ACCESS TO GIBRALTAR ARE BOUND TO COME OUT, PROBABLY ON THE DAY OF THE VISIT IN RESPONSE TO PRESS ENQUIRIES AFTER THE IMPLEMENTATION OF LISBON IS ANNOUNCED. THEY WILL CERTAINLY HAVE TO BE USED IN PARLIAMENT.

8. GIBRALTAR MINISTERS HAVE NOT YET BEEN TOLD OF THE EXCHANGE OF LETTERS. IT IS IMPORTANT THAT THEY SHOULD NOT LATER CLAIM THAT THEY HAVE BEEN KEPT IN THE DARK UNREASONABLY. IT IS THEREFORE BEST THAT THE LETTERS SHOULD BE DATED 8 JANUARY. WE HAVE NO OBJECTION TO THEIR BEING INITIALLED NOW BUT SIGNED ON THAT DAY OR, IF THE SPANIARDS PREFER, SIGNED NOW AND POST-DATED.

9. PLEASE ALSO TELL THE SPANIARDS THAT I WOULD LIKE TO SEE OFF CALVO SOTELO AT THE AIRPORT. I HAVE ANOTHER ENGAGEMENT THAT EVENING AND WILL ONLY BE ABLE TO DO THIS IF HE IS LEAVING FAIRLY EARLY. WE ARE IN TOUCH WITH THE SPANISH EMBASSY HERE ABOUT DETAILS.

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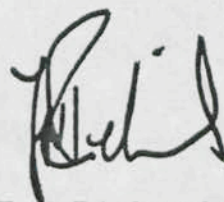
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Mr Wilson - SEDSpain/Gibraltar

The Ambassador in Madrid rang from Senor Perez Llorca's office at 1945 this evening to say that the Spanish Cabinet had met and agreed - after considerable heart-searching - that a date for implementation of the Lisbon agreement should be announced on 8 January.

Senor Perez Llorca was, for reasons which Mr Parsons did not elaborate, unable to offer any date for opening before Easter Monday (12 April), but would be prepared to offer 13 April or the earliest convenient date thereafter. I explained to him that the Secretary of State would on present plans be in the Middle East the whole of that week; dates had already been agreed with the governments concerned, but the following Monday or Tuesday (19 or 20 April) were free, and if these days were unsuitable we could see whether another day could be made free later in the week. Mr Parsons hoped that we would look at the possibility of rearranging Lord Carrington's travel plans to enable implementation to take place on 13 April, but saw no immediate problems with the alternatives offered. He asked that dates be confirmed on 5 January. He would be telegraphing separately on the place for negotiations and also on various points relating to the exchange of letters.



(F N Richards)

4 January 1982

cc: PS
 PS/LPS
 PS/PUS
 Mr Bullard
 Mr Fergusson
 - Mr Coles, 10 Downing Street

PRIME MINISTER

2

Gibraltar

You will see from the attached that Calvo Sotelo and Perez-Llorca are proposing:

(a) that we should not announce the date for the opening of the frontier before or during the visit next week; but instead

Very unwise policy.

(b) that we should agree a date between February and June when the frontier will be opened, and a date towards the end of January when the timing of the opening of the frontier will be announced; both these dates would be kept confidential for the time being;

(c) that before and during the visit next week we should take the line with the press that the question of the implementation of the Lisbon Agreement, including dates, has already been agreed, and is therefore not an issue in the talks at Prime Ministerial level;

(d) that an exchange of side letters under the Lisbon Agreement should be signed before or during the visit.

The FCO are putting a submission on this to Lord Carrington this evening. They are likely to recommend that we should have one more try at persuading Calvo Sotelo to agree that the timing of the opening of the frontier should be announced next week. To accept the Spanish plan would change the whole basis on which the visit of Calvo Sotelo was arranged. It would also be extremely difficult to hold the line that the dates for the implementation of the Lisbon Agreement had been agreed while at the same time keeping these dates confidential.

Must not

Lord Carrington may wish to bring you up-to-date on this during your lunch on Sunday.

CWBR

31 December 1981

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FM MADRID 301337Z DEC 81

TO IMMEDIATE FCO

TELEGRAM NUMBER 506 OF 30 DECEMBER

INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)

INFO ROUTINE UKDEL NATO

MIPT: GIBRALTAR (NOT TO ALL)

1. I HAVE FREQUENTLY ADVISED PEREZ-LLORCA THAT THE ONLY WAY TO RETAIN YOUR CONFIDENCE, IN THE FACE OF THESE CONTINUAL SHIFTS IN SPANISH POLICY, IS TO BE COMPLETELY FRANK WITH YOU ABOUT THEIR POLITICAL ANXIETIES. HE HAS IN FACT TAKEN THIS ADVICE. IT CANNOT HAVE BEEN ENTIRELY PLEASANT FOR HIM TO HAVE TO ADMIT TO ME SO FRANKLY THAT HE HAD BEEN OVER-ruLED BY HIS PRIME MINISTER AND THAT BOTH ARE SCARED ABOUT THE ATTITUDE OF THE ARMED FORCES. I SUSPECT THAT THE TRIAL OF THE MILITARY PLOTTERS IN FEBRUARY, SPECIFICALLY MENTIONED TO ME BY PEREZ-LLORCA (MY TELNO 501) MAY PLAY AS GREAT A PART IN THE SELECTION OF THE DATE FOR OPENING THE FRONTIER AS THE ELECTIONS IN ANDALUCIA.

2. SPANISH MINISTERS WILL NEED TO KNOW BY THE MORNING OF 4 JANUARY AT THE LATEST WHETHER THE PRIME MINISTER AND YOU ARE PREPARED IN PRINCIPLE TO GO ALONG (IF WITHOUT ENTHUSIASM) WITH THEIR NEW PLAN, ON THE ASSUMPTION THAT THE TWO NECESSARY DATES ARE COMMUNICATED TO US IN CONFIDENCE LATER THAT DAY. OUR POSITION IS BY NO MEANS WEAK SINCE CALVO SOTELO IS CLEARLY APPREHENSIVE OF THE DATE FOR IMPLEMENTATION OF THE LISBON AGREEMENT BECOMING A PUBLIC ISSUE BETWEEN HIM AND MRS THATCHER ON 8 JANUARY. I HOPE WE COULD SAY THAT WE ARE IN PRINCIPLE PREPARED TO TAKE THE PUBLIC LINE THAT THIS IS NOT AN ISSUE BETWEEN THE PRIME MINISTERS SINCE THE DATE FOR IMPLEMENTATION HAS ALREADY BEEN AGREED AND WILL SHORTLY BE ANNOUNCED. BUT TO BE CREDIBLE THE DATE FOR ANNOUNCEMENT MUST NOT SLIP BEYOND THE END OF JANUARY AND THE DATE FOR IMPLEMENTATION MUST NOT SEEM ABSURDLY FAR AHEAD. FOR THE PURPOSES OF PUBLIC CONFIDENCE A DATE FOR IMPLEMENTATION IN MARCH WOULD SEEM DESIRABLE. (WHAT DATES WOULD YOU BE FREE FOR THE NEGOTIATIONS AFTER MARCH 7?) WE COULD AGAIN EMPHASISE THAT THIS WOULD HAVE THE SPECIAL ADVANTAGE OF YOUR BEING ABLE TO DISCUSS THE GIBRALTAR ASPECTS OF THEIR NATO ENTRY WELL BEFORE THE SPRING MEETING OF THE ALLIANCE.

This "new plan" is set out in the telegram at A.

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/ 3. AS REGARDS

3. AS REGARDS THE EXCHANGE OF LETTERS, THE SPANIARDS MAY FACE A LAST-MINUTE CHOICE. THEY COULD GO FOR AN EXCHANGE ALONG THE LINES PROVISIONALLY AGREED BETWEEN DURAN AND ME (YOUR TELNO 274 AND PARA 3 OF MY TELNO 500) DESPITE CALVO SOTELO'S INITIAL REJECTION. THE SPANIARDS WOULD BE FREE TO PUBLISH THIS BUT ALMOST CERTAINLY WOULD NOT WISH TO DO SO BECAUSE OF THE REFERENCE TO THE SPA IN MY REPLY. AT LEAST THIS WOULD GIVE THEM A BASIS OF CERTAINTY ON WHICH TO PREPARE THEIR OWN PUBLIC STATEMENT EMPHASISING THE DIFFERENCE BETWEEN THE OLD AND THE NEW REGIME IN GIBRALTAR. THE ALTERNATIVE WOULD BE TO WORK FOR A MUCH BRIEFER AND PUBLISHABLE EXCHANGE, AS SUGGESTED BY PEREZ-LLORCA. I AM NOT OPTIMISTIC ABOUT BEING ABLE TO NEGOTIATE THIS IN THE TIME AVAILABLE IN VIEW OF THEIR ONE-SIDED ATTITUDE. IN EITHER EVENT WE SHOULD MAKE IT CLEAR TO THE SPANIARDS YET AGAIN THAT, IN REPLY TO QUESTIONS, WE SHALL HAVE TO USE ORALLY IF PRESSED SOMETHING LIKE THE FORMULA ON THE SPA IN THE LAST SENTENCE OF PARAGRAPH 4 OF MY TELNO 500. WE SHALL ALSO HAVE TO BE FREE TO USE PUBLICLY SOMETHING ALONG THE LINES OF THE SENTENCE ABOUT THE FULL RESTORATION OF COMMUNICATIONS CONTAINED IN THE LAST SENTENCE OF PARAGRAPH 2 OF MY TELNO 498. (INCIDENTALLY, TO MEET SPANISH LEGAL SUSCEPTIBILITIES ABOUT THE USE OF THE WORD QUOTE FRONTIER UNQUOTE, THIS COULD BE REDRAFTED TO BEGIN QUOTE BY DIRECT COMMUNICATIONS IS MEANT THE OPENING OF LAND COMMUNICATIONS TO BOTH VEHICLES AND PEDESTRIANS ETC UNQUOTE). WE SHOULD MAKE IT CLEAR ONCE AGAIN THAT NEITHER OF THESE FORMULAE HAS TO BE ENSHRINED IN AN EXCHANGE OF LETTERS PROVIDED THAT WE ARE FREE TO USE THEM ORALLY IN ANSWER TO QUESTIONS AND THAT WE ARE NOT ASKED TO ACCEPT A ONE-SIDED WRITTEN EXCHANGE.

4. DURING THE LAST TWO DAYS PEREZ-LLORCA HAS ASKED ME TWICE WHAT OUR LATEST PROGRAMME IS FOR RATIFICATION OF THE PROTOCOL ON SPANISH ENTRY INTO NATO. HE HAS ALSO ASKED ME TWICE WHAT SUBJECTS YOU THINK MIGHT BE COVERED BETWEEN YOU IN THE GIBRALTAR NEGOTIATIONS. I HAVE DECLINED TO GIVE HIM AUTHORITATIVE ANSWERS ON BOTH POINTS, PARTLY BECAUSE I AM WITHOUT INSTRUCTIONS AND ALSO BECAUSE IT SEEMS WORTH CONSIDERING WHAT USE WE MIGHT MAKE OF SPANISH ANXIETIES ON THESE ISSUES. YOU MAY WISH, HOWEVER, TO PREPARE A LINE FOR USE ON 8 JANUARY.

5. THE SPANIARDS ARE OF COURSE GRATEFUL FOR OUR SCRUPULOUS AVOIDANCE OF ANY LINK BETWEEN THEIR ENTRY INTO NATO AND THE GIBRALTAR ISSUE AS SUCH. NEVERTHELESS, WITHOUT ALTERING THIS POLICY, THE PRIME MINISTER AND YOU MIGHT WISH TO MAKE IT CLEAR TO THE SPANISH MINISTERS THAT THE CHANCES OF A SMOOTH PARLIAMENTARY PASSAGE OVER RATIFICATION OF THE NATO PROTOCOL WILL OBVIOUSLY BE IMPROVED IF A DATE FOR IMPLEMENTING THE

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LISBON AGREEMENT HAS ALREADY BEEN ANNOUNCED. THIS WOULD HELP TO FORTIFY THEM IN THEIR DECLARED INTENTION OF MAKING SUCH AN ANNOUNCEMENT BY THE END OF JANUARY.

6. AS REGARDS THE NEGOTIATIONS ON GIBRALTAR, I DID POINT OUT TO PEREZ-LLORCA THAT IT WOULD BE SENSIBLE TO TRY TO SHOW SOME PRACTICAL RESULTS FAIRLY SOON, APART FROM THE CENTRAL ISSUE OF SOVEREIGNTY TO WHICH THE SPANISH ARE COMMITTED. HE AGREED. MY OWN COMMENT IS AS FOLLOWS. THERE COULD PERHAPS BE DISCUSSION ABOUT THE USE OF AN AIRFIELD, DOCKYARD AND PORT, THE FAMOUS FENCE, AND THE QUESTION OF DEFENCE COOPERATION OVER GIBRALTAR IN THE NATO CONTEXT. STRICTLY SPEAKING OTHER MATTERS SUCH AS COOPERATION OVER EDUCATION, TRADE, TOURISM AND THE JOINT ECONOMIC DEVELOPMENT OF THE ROCK WITH THE CAMPO AREA WOULD PRESUMABLY NOT BE COVERED BY NEGOTIATIONS ENVISAGED AT LISBON AS AIMING AT OVERCOMING ALL THE DIFFERENCES BETWEEN THE TWO GOVERNMENTS ON GIBRALTAR. NEVERTHELESS THERE MIGHT BE POLITICAL AND PRACTICAL ADVANTAGE IN WIDENING THE NEGOTIATING PROCESS TO INCLUDE THESE MORE CREATIVE ASPECTS, IF ONLY TO BE ABLE TO SHOW SOME RESULTS FAIRLY SOON. THIS APPROACH WOULD ALSO ACCORD WITH THE FORWARD LOOKING ATTITUDE OF THE LISBON AGREEMENT TOWARDS STEPS TO BE TAKEN IN ORDER TO OPEN THE WAY TO CLOSER UNDERSTANDING BETWEEN THOSE DIRECTLY CONCERNED IN THE AREA.

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P.S. TO NO. 10. DOWNING ST.

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FM MADRID 301220Z DEC 81
TO IMMEDIATE FCO
TELEGRAM NUMBER 505 OF 30 DECEMBER
INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)

MY TELEGRAM NO 501: GIBRALTAR.

THE SPANISH FOREIGN MINISTER ACCORDINGLY SUMMONED ME LATE LAST NIGHT TO MAKE THE FOLLOWING COMMUNICATION TO YOU ON BEHALF OF THE SPANISH PRIME MINISTER. CALVO SOTELO ENVISAGED HIS FORTHCOMING VISIT TO LONDON AS A PUBLIC DEMONSTRATION OF GOODWILL BETWEEN OUR TWO GOVERNMENTS AND OF WILLINGNESS TO IMPLEMENT THE LISBON AGREEMENT. THE PROBLEM FOR THE SPANISH GOVERNMENT WAS THE NEED FOR FURTHER PREPARATION OF SPANISH PUBLIC OPINION SO THAT THERE WOULD NOT BE UNFAVOURABLE REACTIONS HERE (COUNTER-PRODUCTIVE FOR BOTH SIDES) AFTER THE DATE FOR IMPLEMENTATION WAS ANNOUNCED. IT WAS IMPORTANT, FOR EXAMPLE, THAT THE OPENING OF THE FRONTIER SHOULD NOT BECOME AN ISSUE IN THE REGIONAL ELECTIONS IN ANDALUSIA NOW FIXED FOR 27 MAY.

2. AGAINST THIS BACKGROUND, CONTINUED PEREZ-LLORCA, CALVO SOTELO NOW DOUBTED WHETHER IT WOULD BE PRUDENT AFTER ALL TO ANNOUNCE A DATE DURING HIS VISIT TO LONDON. NEVERTHELESS HE HAD BEEN IMPRESSED WITH THE ARGUMENT THAT SOME FIRM PLAN FOR HANDLING THE PRESS MUST BE AGREED IN ADVANCE. HE UNDERSTOOD THAT, FAILING POSITIVE ASSURANCES ABOUT DATES, NUMBER TEN WOULD BE OBLIGED TO TELL THE PUBLIC THAT OUR PRIME MINISTER INTENDED TO TAKE UP WITH THE SPANISH PRIME MINISTER THE QUESTION OF THE NON-IMPLEMENTATION OF THE LISBON AGREEMENT. CALVO SOTELO HAD A JOINT INTEREST WITH US IN AVOIDING THIS SITUATION.

3. CALVO SOTELO ACCORDINGLY ASKED YOU TO CONSIDER THE FOLLOWING PLAN. A FURTHER SPANISH MINISTERIAL MEETING WILL BE HELD IMMEDIATELY AFTER THE HOLIDAY ON MONDAY 4 JANUARY. BY THE END OF THAT DAY TWO DATES WOULD BE PROPOSED TO US BY THE SPANISH GOVERNMENT. THE FIRST, FOR THE PUBLIC ANNOUNCEMENT, WOULD BE NOT LATER THAN THE END OF JANUARY. THE SECOND, FOR THE OPENING OF THE FRONTIER AND SIMULTANEOUS BEGINNING OF NEGOTIATIONS, WOULD BE WITHIN A TIME-SPAN BETWEEN THE END OF FEBRUARY AND EARLY JUNE. WITHIN THAT SPAN A PRECISE DATE WOULD BE FIXED, AND THIS WOULD BE COMMUNICATED TO US ON 4 JANUARY. THE SPANISH GOVERNMENT WOULD OF COURSE TRUST US NOT TO REVEAL EITHER DATE PUBLICLY FOR THE TIME BEING, BUT THEY HOPED THIS WOULD BE SUFFICIENT FOR MRS THATCHER AND CALVO SOTELO TO AGREE IN ADVANCE TO INFORM THE PRESS THAT THE QUESTION OF THE IMPLEMENTATION OF THE LISBON AGREEMENT, INCLUDING DATES, HAD ALREADY BEEN AGREED AND WAS THEREFORE NOT TO BE AN ISSUE IN THE TALKS AT PRIME MINISTERIAL LEVEL.

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/4. PEREZ-LLORCA

*The Spanish
plan.*

4. PEREZ-LLORCA ALSO SAID THAT THEY WOULD WANT AN EXCHANGE OF LETTERS (SEE MY TELEGRAM NO 500) TO BE SIGNED BEFORE THE VISIT OR IN LONDON ON JANUARY 8. THIS WOULD HELP WITH THE PREPARATION OF CONCERTED LANGUAGE FOR USE WITH THE PRESS BY THE TWO PRIME MINISTERS. THE SPANISH PRIME MINISTER, HOWEVER, IN SPITE OF ALL THE GOOD WORK BETWEEN DURAN AND MYSELF, WAS NOT HAPPY WITH THE EXCHANGE IN ITS PRESENT FORM. THE SPA PRESENTED A PARTICULAR PROBLEM IN VIEW OF WHAT THEY HAD SAID IN PARLIAMENT AND LACK OF CONSULTATION WITH THE SPANISH MINISTRY OF DEFENCE. (THE LATTER POINT IS PRESUMABLY A EUPHEMISM FOR FEAR OF THE REACTION OF THE ARMED FORCES). THEY WOULD GIVE US ASSURANCES ABOUT MODIFYING THE APPLICATION OF THE SPA IN THE INTEREST OF AIR SAFETY BUT WOULD FIND IT DIFFICULT TO PUBLISH THIS NOW. CALVO SOTELO AND PEREZ-LLORCA THEREFORE THOUGHT IT DESIRABLE TO RE-DRAFT THE EXCHANGE IN A MUCH SIMPLER, SHORTER AND VAGUER FORM RECORDING THAT BOTH GOVERNMENTS HAD AGREED THAT THE LISBON AGREEMENT SHOULD BE IMPLEMENTED ON A CERTAIN DATE AND THAT THE SPANISH GOVERNMENT WERE SATISFIED THAT THE NEW REGIME TO BE APPLIED IN GIBRALTAR FOR SPANIARDS WOULD MODIFY THE SITUATION EXISTING BEFORE 1969. DURAN WOULD BE IN TOUCH WITH ME URGENTLY ABOUT THIS.

*This draft
is in the
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5. I REPLIED AS FOLLOWS. WITH OUR MUTUAL COOPERATION IN MIND AND THE JOINT NEED TO PRESENT THE VISIT ON JANUARY 8 AS A SUCCESS, I THOUGHT YOU WOULD REGRET THE SPANISH PRIME MINISTER'S NEW DECISION NOT TO ANNOUNCE A DATE FOR THE IMPLEMENTATION OF THE LISBON AGREEMENT BEFORE OR ON 8 JANUARY. THIS WOULD HAVE BEEN BY FAR THE BEST WAY TO DISPEL PUBLIC SUSPICION ON BOTH SIDES. NEVERTHELESS WE ALL HAD TO MAKE THE BEST OF THE SITUATION IN WHICH WE NOW FOUND OURSELVES, GIVEN THE IMMINENCE OF THE VISIT. (THERE HAS BEEN NO SUGGESTION FROM SPANISH MINISTERS THAT IT SHOULD BE CANCELLED.) I WENT ON TO POINT OUT THAT 10 DOWNING STREET WOULD BE UNDER PRESSURE DURING NEXT WEEK BEFORE THE VISIT TO EXPLAIN WHAT IT WAS ALL ABOUT. IT WAS THEREFORE ABSOLUTELY ESSENTIAL THAT SPANISH MINISTERS SHOULD STICK TO THEIR NEW INTENTION OF COMMUNICATING BOTH DATES TO US BY THE EVENING OF 4 JANUARY. ONLY IN THE LIGHT OF THIS WOULD IT BE REASONABLE TO ADVISE THE BRITISH PRIME MINISTER TO TAKE THE PUBLIC LINE BEFORE AND DURING THE VISIT THAT THE QUESTION OF THE IMPLEMENTATION OF THE LISBON AGREEMENT WAS NOT AN ISSUE AT PRIME MINISTER LEVEL BECAUSE A DATE HAD ALREADY BEEN AGREED AND WOULD SHORTLY BE ANNOUNCED. PEREZ-LLORCA SAID THAT HE UNDERSTOOD THIS POINT.

6. I ADDED THAT WE HAD NEVER ASKED FOR AN EXCHANGE OF LETTERS. IT WAS A PURELY SPANISH REQUIREMENT. I WOULD OF COURSE ASK YOU TO CONSIDER A DRAFT OF WHATEVER DURAN MIGHT CARE TO OFFER ME.

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BUT IF THERE WERE TO BE A WRITTEN AND PERHAPS PUBLISHED EXCHANGE, IT WAS NOT ACCEPTABLE TO INCLUDE ONLY POINTS OF INTEREST TO SPAIN, OMITTING THOSE OF INTEREST TO US. PEREZ-LLORCA SAID THAT HE HAD ALSO TAKEN THIS POINT. THAT WAS WHY HE WAS NOW GOING FOR A SHORT AND VAGUE DRAFT. HE ALSO REALISED THAT WE COULD NOT COMPLETE THE EXCHANGE OF LETTERS UNTIL A DATE FOR IMPLEMENTING LISBON HAD BEEN INCLUDED.

7. AS REGARDS THE LATTER DATE, I EXPRESSED CONCERN ABOUT THIS BEING LEFT TO THE EARLY SUMMER. SURELY IT WOULD BE DANGEROUS TO LEAVE IT UNTIL SHORTLY BEFORE, OR EVEN AFTER, THE ELECTIONS ON 27 MAY? NOBODY COULD FORETELL WHAT THE SITUATION MIGHT BE THEN. (PEREZ-LLORCA SMILED, IMPLYING THAT HE HAD TAKEN MY UNSPOKEN POINT THAT THE VERY EXISTENCE OF THE CALVO SOTELO GOVERNMENT, AT LEAST IN ITS PRESENT FORM MIGHT BE IN DOUBT AFTER 27 MAY.) I SUGGESTED THAT IF THE FRONTIER COULD NOT BE OPENED FOR PRACTICAL REASONS BEFORE THE END OF FEBRUARY AT THE EARLIEST, WE SHOULD TRY TO FIX A DATE AS SOON AS POSSIBLE AFTER YOUR RETURN TO LONDON ON 7 MARCH. (PEREZ-LLORCA HAS ACCEPTED THAT THE OPENING OF THE NEGOTIATIONS WILL BE IN LONDON.)

8. I CONCLUDED BY THANKING PEREZ-LLORCA FOR HIS FRANK SPEAKING ABOUT SPANISH POLITICAL DIFFICULTIES AND WARNING HIM THAT ANY TELEPHONE CONVERSATION WITH YOU (FOR WHICH HE HANKERS) WOULD BE MORE FRUITFUL AFTER YOU HAD BEEN ABLE TO STUDY THIS REPORT.

9. COMMENT FOLLOWS.

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GRS 250
DESKBY 311030Z
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FM MADRID 310935Z DEC 81
TO IMMEDIATE FCO
TELEGRAM NUMBER 507 OF 31 DECEMBER
INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)
INFO ROUTINE UKDEL NATO

MY TELNOS 505 AND 506: GIBRALTAR.

1. AS FORESHADOWED IN PARAGRAPH 4 OF MY TELNO 505 DURAN SENT ME LATE LAST NIGHT A NEW DRAFT TEXT OF WHICH THE FOLLOWING IS OUR TRANSLATION.

"THE SPANISH AND BRITISH GOVERNMENTS, HAVING DECIDED TO PUT INTO PRACTICE THE LISBON DECLARATION IN ALL ITS ASPECTS BY MEANS OF A POLICY OF CONCRETE IMPLEMENTATION OF ITS PROVISIONS, HAVE AGREED THE FOLLOWING:

(I) TO START THE NEGOTIATIONS ENVISAGED IN THE ABOVE MENTIONED DECLARATION ON (DATE) WITH THE AIM OF RESOLVING ALL THEIR EXISTING DIFFERENCES OVER GIBRALTAR:

(II) ON THE SAME DAY COMMUNICATIONS WILL BE RE-ESTABLISHED AS EQUALLY PROVIDED FOR IN THE LISBON DECLARATION:

(III) THE SPANISH GOVERNMENT NOTE THAT THE NEW REGIME APPLICABLE IN GIBRALTAR WHICH WILL BE IN FORCE ON THE DATE EARLIER INDICATED MODIFIES THE SITUATION WHICH EXISTED BEFORE 1969, REMOVING ELEMENTS WHICH IN THE VIEW OF THE SPANISH GOVERNMENT WERE DISCRIMINATORY AND WHICH THEY CONSIDER FUNDAMENTAL. SPECIFICALLY, EQUALITY FOR SPANIARDS IN GIBRALTAR AS REGARDS THE RIGHT TO STAY OVERNIGHT AND IN MATTERS OF EMPLOYMENT, SOCIAL SECURITY, SALARIES AND THE RIGHT TO JOIN TRADE UNIONS IS ASSURED.

IN PARALLEL WITH THE INITIAL PHASE OF THE NEGOTIATIONS ENVISAGED AT (I) BOTH SIDES WILL DEAL WITH THE REMAINING QUESTIONS CONCERNING THE SITUATION OF SPANIARDS IN GIBRALTAR ABOVE

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WITH A VIEW TO DETERMINING THE CONCRETE IMPLEMENTATION OF THE PRINCIPLES OF RECIPROCITY AND EQUALITY OF RIGHTS LAID DOWN IN LISBON. THE TWO SIDES RECOGNISE THAT AGREEMENTS REACHED WILL HAVE TO BE GIVEN EFFECT AS SOON AS POSSIBLE BY THE ADOPTION OF THE NECESSARY MEASURES, INCLUDING THE INTRODUCTION OF NEW LEGISLATION, IF NECESSARY.

2. COMMENT FOLLOWS.

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P.S. TO NO. 10. DOWNING ST.

Prime Minister

*Comment from
Gibraltar.*

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DESKBY 310030Z FCO AND MADRID
FROM GIBRALTAR 302109Z DEC 81
TO IMMEDIATE FCO TEL NO PERSONAL 104 OF 30 DEC 81
AND IMMEDIATE MADRID

MADRID TELNOS 505 AND 506: GIBRALTAR

1. I REMAIN ANXIOUS NOT (REPEAT NOT) TO INJECT ANY UNAVOIDABLE DIFFICULTY INTO THIS DELICATE SITUATION. IF IT WOULD HELP THE SPANISH GOVERNMENT WITH THEIR MILITARY THEN I AM CONFIDENT THAT I COULD CARRY THE OMISSION OF REFERENCE TO THE SPA LOCALLY IF THE EXCHANGES WERE COUCHED IN THE ABBREVIATED FORM NOW ENVISAGED BY THE SPANISH. I RECOGNISE THAT THIS COULD STILL LEAVE THE PRIME MINISTER AND YOURSELF WITH DIFFICULTIES OF PRESENTATION IN BRITAIN WHERE INTER ALIA THE QUOTE GIBRALTAR LOBBY UNQUOTE MIGHT BE INCLUDED TO PLAY IT UP.
2. FROM GIBRALTAR IT IS DIFFICULT TO FOLLOW THE SPANISH GOVERNMENTS SENSITIVITY IN RESPECT OF THE ANDALUCIAN ELECTIONS AS SUCH ANDULCIAN OPINION AS WE ARE AWARE OF APPEARS TO FAVOUR OPENING OF THE FRONTIER BUT I REALISE THAT THIS IS A MATTER FOR HM ANBASSADORS JUDGEMENT.
3. THERE ARE HOWEVER SERIOUS PRACTICAL DIFFICULTIES FROM THE GIBPALTAR VIEWPOINT IN THE PLAN NOW PROPOSED BY PEREZ LLORCA. IF THE TWO PRIME MINISTERS REVEAL ON 8 JANUARY THAT A DATE HAD ALREADY BEEN AGREED FOR IMPLEMENTATION I WOULD, IN ORDER TO RETAIN CREDIBILITY IN ANGLO-GIBRALTARIAN CONSULTATION, NEED TO INFORM HASSAN, ISCLA AND INDEED BOSSANO, OF THE PROPOSALS. THEY WOULD IMMEDIATLY COME UNDER PRESSURE FROM A WHOLE RANGE OF COMMERCIAL CONCERNS WHO WOULD HAVE A VERY PROPER INTEREST TO ARRANGE THEIR AFFAIRS IN THE NEW CIRCUMSTANCES. LEAKS WOULD SEEM INEVITABLE. THE LONGER THE PERIOD BETWEEN ANNOUNCEMENT AND THE DATE FOR IMPLEMENTATION THE MORE SCEPTICAL WOULD BE GIBRALTARIAN OPINION. THEY HAVE A CLEAR MEMORY OF 1 JUNE 1980 ALREADY HAVING BEEN AGREED AND RECOGNISE VERY WELL THE POLITICAL DELICACY OF THE SPANISH INTERNAL SITUATION.

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4. I AM ALSO ANXIOUS TO SEE AN OPENING EARLY IN THE YEAR SO THAT THE INEVITABLE HICCUPS CAN BE REMOVED FROM THE FRONTIER SYSTEM AND RELATED ACTIVITIES BEFORE THE TOURIST SEASON BUILDS UP. I AM SURE THAT IT IS IN SPAIN'S INTEREST AS MUCH AS OUR OWN THAT THIS SHOULD BE SO. I THEREFORE FIND THE PROSPECT OF OPENING BEING DELAYED POSSIBLY UNTIL JUNE (AND HOW LONG THEREAFTER?) WORRYING.

5. I HAVE ALREADY REFERRED TO THE POSSIBILITY OF THE GIBRALTAR LOBBY CAUSING EMBARRASSMENT FOR BOTH GOVERNMENTS IF PROGRESS IS DELAYED AND IT WILL OF COURSE BE A MATTER FOR OPINION AT POLITICAL LEVEL IN LONDON TO JUDGE THE EFFECT THAT DELAY MIGHT HAVE ON DEBATE IN THE HOUSE ON SPANISH ACCESSION TO NATO. LOCALLY OF COURSE DELAY SIMPLY INCREASES THE POSSIBILITY OF EXASPERATION GIVING RISE TO MORE UNHELPFUL STATEMENTS OF POLITICAL OPINION BOTH IN THE HOUSE OF ASSEMBLY (DUE TO MEET IN FEBRUARY) AND ELSEWHERE.

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