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DESKBY FCO AND GIBRALTAR 191300Z

FM MADRID 191148Z JUN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 345 OF 19 JUNE

INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)

INFO UKDEL NATO

MY TELEGRAM NO 344: GIBRALTAR

I WAS SUMMONED LAST NIGHT TO HEAR FROM THE SPANISH FOREIGN MINISTER THE OUTCOME OF THE CABINET MEETING. HE SAID THAT THEIR FORMAL INSTRUCTION TO HIM HAD BEEN TO CLARIFY WITH YOU THE POSSIBILITY OF OBTAINING FROM THE BRITISH GOVERNMENT GUARANTEES SUFFICIENT TO ESTABLISH A BASIS FOR A SATISFACTORY BEGINNING OF NEGOTIATIONS ON JUNE 25. IF THAT SITUATION COULD BE REACHED AT LUXEMBOURG, THE FRONTIER COULD OPEN ON JUNE 25 AS PLANNED. PEREZ LLORCA ADDED THAT THE ACTUAL VIEW TAKEN BY THE SPANISH GOVERNMENT HAD BEEN SOMEWHAT DIFFERENT. THEY STRONGLY DOUBTED WHETHER THE CURRENT POLITICAL POSITION IN BRITAIN WOULD PERMIT YOU TO SATISFY PEREZ LLORCA ON THIS POINT. THEY THEREFORE THOUGHT IT WOULD PROBABLY BE WISER TO POSTPONE ONCE AGAIN THE IMPLEMENTATION OF THE LISBON AGREEMENT. AN IMPORTANT MOTIVE WOULD BE TO AVOID PLACING BOTH FOREIGN MINISTERS IN A SITUATION IN SINTRA WHERE THEY WOULD FEEL OBLIGED TO MAKE COMMENTS COUNTER PRODUCTIVE IN TERMS OF ANGLO-SPANISH RELATIONS. THE SPANISH GOVERNMENT WERE NOT (NOT) TAKING ANY UNILATERAL ACTION. IF NECESSARY THEY WOULD ASK YOU, AS A FAVOUR BETWEEN ALLIES, TO ACCEPT A POSTPONEMENT. THEY REALISED THAT THIS TIME IT WOULD HAVE TO BE MADE PUBLICLY CLEAR THAT THE INITIATIVE FOR THIS HAD COME FROM THE SPANISH GOVERNMENT AND THAT HMG HAD BEEN PREPARED TO GO AHEAD. ON A PERSONAL BASIS, PEREZ-LLORCA ADDED THAT HE HAD MADE HIS COLLEAGUES WELL AWARE OF THE ADVERSE INTERNATIONAL REPERCUSSIONS BUT THEIR DOMESTIC ANXIETIES SEEMED OVERRIDING.

2. PEREZ-LLORCA REVEALED HIMSELF TO BE PERSONALLY EMBARRASSED ABOUT THIS U-TURN FROM THE POSITION HE HAD ADOPTED WITH YOU IN BONN AS RECENTLY AS JUNE 10 (YOUR TELEGRAM NO 203). HE ALSO SHOWED SENSITIVITY TO THE POSSIBLE ACCUSATION THAT THE SPANISH GOVERNMENT WERE REFUSING ONCE AGAIN TO HONOUR THEIR COMMITMENT (YOUR TELEGRAM NO 216). I DID NOT (NOT) LET HIM OFF EITHER OF THESE HOOKS.

3. I SAID IT WOULD BE POINTLESS FOR ME NOW TO DISPUTE A COLLECTIVE DECISION BY THE SPANISH CABINET. NEVERTHELESS I MUST EXPRESS REGRET AT THIS FAILURE TO TAKE ADVANTAGE OF A LONG AGREED OPPORTUNITY TO MAKE SOME PROGRESS IN A MATTER OF CONSIDERABLE POTENTIAL EMBARRASSMENT TO TWO MAJOR MEMBERS OF THE WESTERN ALLIANCE.

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IT WAS ERRONEOUS TO IMAGINE THAT THE OPENING OF THE GIBRALTAR FRONTIER REPRESENTED AN IMPORTANT CONCESSION TO BRITAIN. ON THE CONTRARY, IT WOULD GET SPAIN OUT OF A DILEMMA CREATED FOR THEM BY FRANCO. THE BEGINNING OF NEGOTIATIONS WOULD AT LEAST OFFER THE OPPORTUNITY OF OPENING A WAY FORWARD, PARTICULARLY ON THE DEFENCE SIDE IN THE LIGHT OF SPANISH ACCESSION TO NATO (PARAGRAPH 3 OF YOUR TELEGRAM NO 216). THE WORST ASPECT WOULD PROBABLY BE THE CONSIDERABLE BOOST TO ELEMENTS IN GIBRALTAR WHO HAD NEVER TRUSTED THE SPANISH GOVERNMENT AND PREFERRED SPLENDID ISOLATION.

4. WE AGREED THAT IT WAS NOW MORE THAN EVER NECESSARY FOR YOU TO HAVE A SERIOUS TALK WITH PEREZ-LLORCA IN LUXEMBOURG. HE WILL BE AVAILABLE THERE FROM TOMORROW AFTERNOON. THE FIRST POINT TO CONSIDER WOULD BE WHETHER THE GULF BETWEEN THE TWO GOVERNMENTS WAS REALLY UNBRIDGEABLE THIS WEEK. PEREZ-LLORCA SAID IT WOULD HAVE BEEN COMPATIBLE WITH HIS INSTRUCTIONS FOR HIM TO PRESS YOU TO ACCEPT AN OUTCOME AT SINTRA WHICH, EVEN AT THIS LATE HOUR, WOULD MAKE IT POSSIBLE FOR THE LISBON AGREEMENT TO BE IMPLEMENTED ON JUNE 25. HE WAS, HOWEVER, RELUCTANT TO START TRYING TO HAGGLE WITH YOU ABOUT TEXTS. THIS WOULD MAKE YOU BELIEVE THAT HE WAS SIMPLY TRYING TO EXTRACT THE LAST POSSIBLE CONCESSION FROM YOU. IN FACT HE PERFECTLY UNDERSTOOD YOUR DIFFICULTIES. IT WAS HIS GENUINE OPINION THAT YOU WOULD PROBABLY BE UNABLE TO MEET HIS REQUIREMENT. BUT OF COURSE HE WAS HAPPY TO DISCUSS THE MATTER FURTHER WITH YOU IN LUXEMBOURG. MEANWHILE THERE WOULD BE NO (NO) PUBLICITY FROM HERE.

5. WE THEN AGREED THAT IF YOU DID DECIDE TO ACCEPT, HOWEVER RELUCTANTLY, THE SPANISH REQUEST FOR A POSTPONEMENT, THERE WOULD BE FOUR SUBSIDIARY QUESTIONS YOU WOULD NEED TO DISCUSS. THE FIRST WOULD BE THE TIMING OF AN ANNOUNCEMENT. IT WOULD SEEM THAT THIS SHOULD BE MADE AS SOON AS POSSIBLE AFTER THE LUXEMBOURG MEETING, IF ONLY FOR PRACTICAL REASONS WITH THE PORTUGUESE GOVERNMENT, THE GIBRALTARIANS AND THE PRESS. (I AM SENDING A SHORTER SEPARATE TELEGRAM FOR LISBON).

6. SECONDLY, YOU WOULD HAVE TO DECIDE WHETHER TO MAINTAIN THE PUBLIC POSITION THAT THE LISBON AGREEMENT REMAINED IN FORCE AND THE PROCESS WAS STILL ALIVE. PEREZ-LLORCA EMPHASISED THAT HIS INSTRUCTIONS PERMITTED HIM TO REAFFIRM THIS CATEGORICALLY, TOGETHER WITH CONTINUED SPANISH WILLINGNESS IN PRINCIPLE TO HONOUR THEIR OBLIGATIONS. BUT HE DID NOT DISAGREE THAT THERE MUST BE A LIMIT TO PUBLIC CREDIBILITY ON THIS POINT.

7. THIRDLY, WE AGREED THAT YOU WOULD NEED TO DISCUSS WHETHER TO ANNOUNCE THIS WEEK A NEW DATE FOR IMPLEMENTING THE LISBON AGREEMENT. I MADE IT CLEAR THAT I WAS WITHOUT INSTRUCTIONS ON THIS POINT. HE SAID THAT IF YOU WANTED TO NAME A DATE, HE WOULD TRY TO FIX ONE, THOUGH IT COULD NOT BE IN THE NEAR FUTURE. HIS PERSONAL PREDILECTION WAS CLEARLY AGAINST NAMING A DATE, SINCE THIS WOULD CONSTITUTE ANOTHER TIME-BOMB AND THERE WAS SOME DANGER OF PROVOKING PUBLIC DERISION.

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8. FOURTHLY, PEREZ-LLORCA SAID THAT HE TOOK SERIOUSLY MY WARNING ABOUT THE ADVERSE REACTION IN GIBRALTAR. HE DID NOT (NOT) DISAGREE THAT THIS WOULD RUN TOTALLY COUNTER TO THE UNDERSTANDING BETWEEN OUR TWO PRIME MINISTERS ON JANUARY 8 THAT IT WAS NOW THE TASK OF THE SPANISH GOVERNMENT TO TRY TO MAKE THEMSELVES MORE ATTRACTIVE TO THE PEOPLE OF THE ROCK. HE WOULD LIKE TO DISCUSS THIS FURTHER WITH YOU. ON A GENUINELY PERSONAL BASIS, HE HAD BEEN TOYING WITH THE IDEA OF TRYING TO MAKE SOME UNILATERAL SPANISH CONCESSION TO THE PEOPLE OF GIBRALTAR DURING THE SUMMER. ONE POSSIBILITY MIGHT BE TO OPEN THE FRONTIER TO PEDESTRIAN TRAFFIC, WITHOUT ANY BRITISH QUID PRO QUO. GIVEN SIR JOSHUA HASSAN'S PAST ATTITUDE ON THAT IDEA, I AVOIDED GIVING ANY INDICATION THAT THIS MIGHT SEEM ATTRACTIVE.

9. PLEASE SEE MY IMMEDIATELY FOLLOWING TELEGRAM.

PARSONS

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MR GOODISON

ADDITIONAL DISTN:
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DESKBY FCO AND GIBRALTAR 191330Z

FM MADRID 191234Z JUN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 347 OF 19 JUNE

INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)

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MY TWO IPTS: GIBRALTAR

THE SPANISH FOREIGN MINISTER ASKED ME TO CALL YET AGAIN THIS MORNING. HE SAID THAT HE HAD BEEN THINKING OVERNIGHT ABOUT THE INTERNATIONAL REPERCUSSIONS OF POSTPONEMENT, IN THE LIGHT OF OUR TALK LAST NIGHT. HE STILL BELIEVED THAT THE GAP BETWEEN US WAS PROBABLY TOO GREAT TO BE BRIDGED. NEVERTHELESS HE NOW THOUGHT IT WOULD BE IRRESPONSIBLE FOR HIS GOVERNMENT TO TAKE AN IRREVOCABLE DECISION ON THIS POINT WITHOUT MAKING ONE FURTHER EFFORT TO CLARIFY WHAT YOU MIGHT HAVE BEEN WILLING TO AGREE AT SINTRA, COMPARED WITH THE MINIMUM REQUIREMENT FROM THE SPANISH SIDE. HE WAS PARTICULARLY ANXIOUS TO AVOID GIVING THE IMPRESSION THAT HE HOPED AT LUXEMBOURG TO EMBARK ON A BARGAINING SESSION WITH YOU ABOUT A TEXT. HE ACCEPTED MY ADVICE THAT THIS WAS NO WAY TO HANDLE A BRITISH FOREIGN SECRETARY. NEVERTHELESS, HE WANTED TO SHOW YOU IN WRITING WHAT THE SPANISH GOVERNMENT NEEDED, IF ONLY TO CONFIRM HIS PERSONAL VIEW THAT THEIR REQUIREMENT WAS PROBABLY UNACCEPTABLE TO YOU IN PRESENT CIRCUMSTANCES. IT WOULD BE TRAGIC IF AN ADVERSE DECISION WERE TO BE TAKEN UNDER ANY MISAPPREHENSION ON EITHER SIDE ABOUT WHAT COULD HAVE BEEN ACHIEVED AT SINTRA NEXT WEEK.

2. I EXPLAINED THAT I WAS UNDER FIRM INSTRUCTIONS NOT (NOT) TO ATTEMPT TO NEGOTIATE A FURTHER TEXT. THERE WERE IMPORTANT POINTS OF PRINCIPLE, ON WHICH I HAD RESERVED YOUR POSITION. PEREZ LLORCA ACCEPTED THIS BUT SAID THAT, IN THE LIGHT OF THE INFORMATION ALREADY GIVEN HIM BY THE BRITISH SIDE, HE AND CUENCA WOULD TODAY PREPARE A REVISED TEXT INCORPORATING AT LEAST SOME OF OUR LANGUAGE AND ADDING THE MINIMUM ADDITIONAL POINTS NEEDED BY THE SPANISH GOVERNMENT. WHILE FULLY ACCEPTING YOUR UNWILLINGNESS TO GET INTO A DRAFTING OPERATION AT THIS STAGE, HE HOPED THAT YOU MIGHT NEVERTHELESS BE WILLING TO GIVE HIM YOUR INITIAL IMPRESSION OF THIS DRAFT. IF IT PROVED A NON-STARTER, YOU WOULD AT LEAST BOTH KNOW WHERE YOU STOOD AND THE SPANISH GOVERNMENT'S REQUEST FOR POSTPONEMENT WOULD HAVE BEEN TAKEN IN FULL KNOWLEDGE OF THE FACTS.

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3. I EXPECT SHORTLY TO TAKE DELIVERY OF THIS TEXT WHICH I SHALL TELEGRAPH FLASH IN MY IMMEDIATELY FOLLOWING TELEGRAM. ALL THIS MAY SEEM ALMOST INEXPLICABLE IN LONDON. BUT YOUR DEPARTMENT WILL RECALL THAT IT WAS ONLY BY RUTHLESS BRINKMANSHIP THAT WE BROUGHT THE NERVELESS CALVO SOTELO TO THE STICKING POINT IN LONDON ON JANUARY 8.

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ADDITIONAL DISTN:
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DESKBY GIBRALTAR 191530Z

FM MADRID 191430Z JUN 82

TO FLASH FCO

TELEGRAM NUMBER 348 OF 19 JUNE

INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)

MYTHREE IPTS : GIBRALTAR

CUENCA HAS NOW GIVEN ME THE PROPOSED SPANISH DRAFT COMMUNIQUE. IT READS LIKE HIS OWN WORK. I LEFT HIM IN NO DOUBT THAT THERE WERE MANY VERY DIFFICULT POINTS IN IT FOR US. AT FIRST SIGHT IT WOULD CERTAINLY SEEM TO BEAR OUT HIS MINISTER'S CONTENTION THAT HER MAJESTY'S GOVERNMENT ARE IN NO POSITION TO SIGNIFY AGREEMENT TO CURRENT SPANISH DEMANDS.

2. THE PASSAGES UNDERLINED IN THE SPANISH ORIGINAL AND IN THE FOLLOWING ENGLISH TRANSLATION BY US ARE INTENDED BY THE SPANIARDS TO BUILD ON, AND SUPPLEMENT, THE LISBON AGREEMENT. YOU WILL NO DOUBT WISH TO POINT OUT TO PEREZ LLORCA, AS I HAVE DONE HERE, THAT OUR COMMITMENT AT LISBON WAS SIMPLY TO BEGIN NEGOTIATIONS RATHER THAN TO AGREE ON THE SPOT TO A WHOLE SERIES OF ADDITIONAL EMBELLISHMENTS.

3. FOLLOWING IS OUR TRANSLATION WITH THE ORIGINAL UNDERLININGS CONTAINED IN THE SPANISH VERSION :
BEGINS :

DRAFT JOINT STATEMENT

A. THE MINISTERS OF FOREIGN AFFAIRS OF THE KINGDOM OF SPAIN AND OF THE UNITED KINGDOM OF GREAT BRITAIN MET IN SINTRA ON 25 AND 26 JUNE AND, IN FULFILMENT OF WHAT WAS AGREED IN THE DECLARATION OF LISBON ON 10 APRIL 1980 AND IN THE EXCHANGE OF LETTERS EFFECTED IN LONDON ON 8 JANUARY 1982, HAVE STARTED NEGOTIATIONS TO RESOLVE ALL THE EXISTING DIFFERENCES BETWEEN THE TWO COUNTRIES ON THE SUBJECT OF GIBRALTAR, (NEXT TWELVE WORDS UNDERLINED) INCLUDING THE QUESTION OF SOVEREIGNTY AND THE FUTURE STATUS OF THE TERRITORY, IN A SPIRIT OF FRIENDSHIP AND COOPERATION AND IN ACCORDANCE WITH THE RELEVANT RESOLUTIONS OF THE UNITED NATIONS.

B. THE TWO MINISTERS AND THEIR GOVERNMENTS ARE CONVINCED THAT THE ENTRY OF SPAIN INTO THE ATLANTIC ALLIANCE, WHICH HAS BEEN WARMLY WELCOMED BY ALL ITS MEMBERS, WILL FACILITATE THE SOLUTION OF THE GIBRALTAR CONFLICT, WHICH FOR A LONG TIME HAS CREATED DIFFICULTIES IN THE RELATIONS BETWEEN THE TWO COUNTRIES. BOTH GOVERNMENTS ARE CONVINCED THAT THEY HAVE THE FUNDAMENTAL RESPONSIBILITY TO RESOLVE ALL ASPECTS OF THIS MATTER WITHIN A REASONABLE PERIOD, IN THE FRAMEWORK OF EUROPEAN AND WESTERN SOLIDARITY.

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C. BOTH SIDES HAVE IDENTIFIED THE EXISTING PROBLEMS AND HAVE CONFIRMED THAT TO REACH A SATISFACTORY SOLUTION IT IS APPROPRIATE TO CONCLUDE A NEW INTERNATIONAL LEGAL INSTRUMENT WHICH WOULD MAKE IT POSSIBLE TO GUARANTEE AND SAFEGUARD ALL THE LEGITIMATE INTERESTS INVOLVED, (NEXT TWENTY-SEVEN WORDS UNDERLINED) AND IN A SPECIAL MANNER THE INDIVIDUAL AND COLLECTIVE INTERESTS AND THE WELLBEING OF THE INHABITANTS OF GIBRALTAR, AT THE TIME THAT SPANISH TERRITORIAL INTEGRITY IS REESTABLISHED.

D. BOTH SIDES HAVE EQUALLY AGREED THAT THE REESTABLISHMENT OF COMMUNICATIONS, THE EARLY ATTAINMENT OF (NEXT TEN WORDS UNDERLINED) FULL EQUALITY AND RECIPROCITY OF RIGHTS BETWEEN SPANIARDS AND GIBRALTARIANS AND THE DEVELOPMENT, IN ALL FIELDS, OF A WIDER COOPERATION IN THE ZONE, ARE ELEMENTS WHICH SHOULD CONTRIBUTE POSITIVELY TO THE DEFINITIVE SETTLEMENT OF THE QUESTION.

E. TO FULFIL THE OBJECTIVES FORESEEN IN THE PREVIOUS PARAGRAPHS, BOTH SIDES HAVE DECIDED ON THE SETTING UP OF (NEXT THREE WORDS UNDERLINED) THREE NEGOTIATING SUB-COMMITTEES RELATING TO (NEXT SIX WORDS UNDERLINED) THE FUTURE STATUS OF THE TERRITORY, COOPERATION IN THE DIFFERENT ASPECTS FORESEEN IN THE DECLARATION OF LISBON, INCLUDING THE OTHER ECONOMIC AND SOCIAL QUESTIONS, AND (NEXT FIVE WORDS UNDERLINED) QUESTIONS CONCERNING SECURITY AND DEFENCE.

F. THE TWO DELEGATIONS HEADED BY THEIR RESPECTIVE MINISTERS OF FOREIGN AFFAIRS HAVE DECIDED TO MEET AGAIN IN GENEVA ON (DATE).

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GIBRALTAR

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FM FCO 171750Z JUN 82

TO FLASH MADRID

TELEGRAM NUMBER 216 OF 17 JUNE.

INFO IMMEDIATE GOV GIBRALTAR (PERSONAL) UKDEL NATO, MOD (DS12, DPS)

YOUR TELNS NO 337, 338, 339, AND 342 AND GIBRALTAR TEL NO PERSONAL 77 (NOT ALL REPEATED TO UKDEL NATO): GIBRALTAR

1. WE REALISE THAT PEREZ-LLORCA STILL HAS TO CONVINCE THE SPANISH CABINET OF THE NEED TO HONOUR THEIR COMMITMENT TO GO AHEAD ON 25 JUNE AND THAT THERE ARE LIKELY TO BE SOME DISSENTING VOICES. YOU WERE RIGHT TO POINT OUT THE DISADVANTAGES FOR THE SPANIARDS OF ANY FURTHER POSTPONEMENT AND THAT WE WILL HAVE TO PIN THE BLAME ON THEM IF ONE OCCURS. IN MAKING THESE POINTS YOU SHOULD AVOID GIVING THE IMPRESSION THAT WE ARE SO ANXIOUS TO SEE THE BORDER REOPENED AS TO PUT US IN THE POSITION OF DEMANDEUR. AS YOU KNOW FROM MY TELNO 208 AND DISCUSSIONS HERE, OUR ROOM FOR MANOEUVRE IS VERY LIMITED.
2. WE AGREE WITH WHAT YOU SAID TO PEREZ LLORCA ABOUT THE DANGERS OF MAKING PUBLIC VERBATIM WHAT HE SAYS AT SINTRA (YOUR TELNO 342). IT IS INEVITABLE THAT HE WILL GIVE THE GIST OF IT TO THE PRESS. BUT HE MUST REALISE THAT THE MORE HE SAYS PUBLICLY, THE MORE WE AND THE GIBRALTARIANS WILL BE FORCED TO RESPOND IN PUBLIC. IN FACT IF HE IS GOING TO RUN OUT PREPARED TEXTS WE MAY NEED TO DO THE SAME.
3. ON GIVING PEREZ LLORCA A HINGT OF WHAT MIGHT BE SAID AT SINTRA ON NATO COMMAND BOUNDARIES (PARA 8 OF YOUR TELNO 337) WE WOULD PREFER YOU ONLY TO MAKE THE POINT IN GENERAL TERMS. YOU SHOULD TELL PEREZ-LLORCA THAT HE WILL BE ABLE TO DRAW HIS OWN CONCLUSIONS FROM THE INCLUSION OF MILITARY SUBJECTS AS ONE OF THE THREE HEADINGS FOR DISCUSSION. THE REMOVAL OF RESTRICTIONS ON GIBRALTAR WILL OPEN THE WAY FOR FORWARD LOOKING DISCUSSIONS ON MANY ASPECTS OF DEFENCE COOPERATION, INCLUDING THOSE IN WHICH SPAIN TAKES THE KEENEST INTEREST. BY CONTRAST, FAILURE TO IMPLEMENT THE LISBON AGREEMENT WOULD MAKE SUCH COOPERATION IMPOSSIBLE. WE WOULD NOT EXPECT A SPECIFIC REFERENCE IN THE COMMUNIQUE TO THIS POINT WHICH IS ONE FOR NATO AS A WHOLE. (FOR YOUR OWN INFORMATION OLIART'S IDEAS - FAULKNER'S LETTER OF 9 JUNE TO SYNNOTT WOULD BE THOROUGHLY UNWELCOME TO US AND, WE EXPECT, TO NATO)
4. ON THE TEXT OF A DRAFT COMMUNIQUE YOU WERE RIGHT TO RESERVE OUR POSITION ON THE FOUR POINTS RAISED BY CUENCA (YOUR TEL NO 338). IT IS ENCOURAGING THAT ON EQUALITY OF RIGHTS PEREZ-LLORCA SEEMS MORE FLEXIBLE AND CONTEMPLATES DEALING WITH THIS POINT BY INCLUDING SOCIAL ASPECTS WITH ECONOMIC AS ONE OF THE HEADINGS (OR COMMITTEES) FOR DISCUSSION. WE COULD ACCEPT THIS.

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5. YOUR REDRAFT OF A COMMUNIQUE (YOUR TELNO 339) IMPROVES ON OUR FIRST DRAFT IN SOME PLACES. BUT THERE ARE OTHER POINTS WHICH WE COULD NOT ACCEPT (EG, THE SQUARE BRACKETED REFERENCE IN PARA 4 ALTHOUGH WE COULD FIND LANGUAGE TO DEAL WITH THE POINT IF THE SPANIARDS INSIST ON SAYING THAT THEY HAVE STATED THEIR POSITION) WE NOTE THE COMMENTS FROM GIBRALTAR (THE GOVERNOR'S TELNO 77) BUT THERE ARE SUBSTANTIAL DIFFICULTIES SEEN FROM HERE TOO.

6. WE DO NOT HOWEVER, AT THIS STAGE, WISH TO GO FURTHER WITH A PROCESS OF REDRAFTING WHICH WILL INEVITABLE INVOLVE PRESSURE TO MODIFY OUR POSITION STILL FURTHER TO MEET THE SPANISH POINT OF VIEW. WE WOULD PREFER TO WAIT UNTIL EARLY NEXT WEEK, FOLLOWING THE SPANISH CABINET MEETING (AND MY POSSIBLE MEETING WITH PEREZ-LLORCA AT LUXEMBOURG IF IT TAKES PLACE) BEFORE SURFACING A SECOND DRAFT. WE WILL ALSO DEAL THEN WITH PRACTICAL ARRANGEMENTS SUCH AS THE ORGANISATION OF THE SINTRA MEETING AND THE PRESS CONFERENCE (YOUR TELNO 342). OUR PRESENT INCLINATION IS TO GO FOR SEPERATE PRESS CONFERENCES. A FINAL RESOLUTION OF CONTENTIOUS ISSUES IN THE COMMUNIQUE WILL PROBLY HAVE TO WAIT UNTIL SINTRA.

7. ON A MEETING IN LUXEMBOURG YOU SHOULD TELL PEREZ-LLORCA THAT I SHALL BE GOING THERE ON 20 JUNE AND RETURNING STRAIGHT AFTER LUNCH ON 21 JUNE. WITH SUCH LIMITED TIME AND SO MANY OTHER COMMITMENTS, ARRANGING A MEETING WOULD INEVITABLE BE DIFFICULT, THOUGH I AM SURE WE COULD CONTRIVE TO HAVE A BRIEF WORD IF PEREZ LLORCA WISHES. YOU SHOULD WARN HIM THAT I WILL NOT WISH TO GET INVOLVED IN DETAILED CONSIDERATION OF COMMUNIQUE LANGUAGE

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DESKBY 171100Z

FM MADRID 170955Z JUNE 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 342 OF 17 JUNE

INFO IMMEDIATE GOVERNOR GIBRALTAR(PERSONAL) UKDEL NATO

MOD(DS 12 DPS)

INFO PRIORITY LISBON

MY TELNO 337: GIBRALTAR

THE SPANISH FOREIGN MINISTER SUMMONED ME AGAIN LAST NIGHT. CUENCA WAS PRESENT. THE MINISTER STARTED BY ASKING ME IN DETAIL ABOUT WHAT WE THOUGHT WOULD ACTUALLY HAPPEN AT SINTRA. I SUGGESTED (YOUR TELNO 206) THAT YOU SHOULD BEGIN BY ENTERTAINING HIM AT LUNCH WITH AN OPPORTUNITY FOR A GOOD TALK. THE EVENING COULD BE USED FOR INTERNAL COORDINATION AMONG EACH DELEGATION. IF HE WANTED, YOU WOULD BE GLAD TO LUNCH WITH HIM THE FOLLOWING DAY. PEREZ-LLORCA AGREED ON ALL THESE POINTS. HE THEN ASKED ABOUT THE CONTENT OF THE TALKS THEMSELVES. I SAID THAT WAS ENTIRELY UP TO HIM AND YOU. HE WOULD BE FREE TO RAISE ANY SUBJECT HE WANTED. THE BEST PLAN MIGHT BE TO USE THE FIRST AFTERNOON FOR PEREZ-LLORCA TO MAKE AN EXPLANATION OF THE SPANISH POSITION ON THE BASIC POLITICAL ISSUE. YOU WOULD ALSO PRESUMABLY WISH TO MAKE SOME STATEMENT THOUGH YOU COULD CLEARLY NOT BE EXPECTED TO CONVEY A SUBSTANTIVE RESPONSE. ON THE FOLLOWING MORNING, AFTER OVER-NIGHT CONSIDERATION, YOU MIGHT INDICATE A WILLINGNESS TO EXPLORE THE SPANISH IDEAS. THEN THE QUESTION OF FOLLOW-UP ACTIVITIES COULD BE CONSIDERED. IN ADDITION, DURING BOTH SESSIONS EITHER SIDE MIGHT WISH TO RAISE MORE DETAILED POINTS OF PRACTICAL COOPERATION ETC, APART FROM THE CENTRAL POLITICAL ISSUE.

2. PEREZ-LLORCA ADDED THAT HIS EXPOSITION OF THE SPANISH OFFER WOULD OF COURSE BE A HISTORIC MOMENT. HE WOULD HAVE TO SPEAK FROM A PREPARED TEXT CLEARED HERE IN ADVANCE. HE WOULD SHOW ME THIS IN MADRID. SUBSEQUENTLY IT WOULD PROBABLY BE NECESSARY TO MAKE PUBLIC THIS TEXT, OR AT LEAST ITS GIST. I SAID THAT THIS WAS UNDERSTANDABLE. BUT ON A PERSONAL BASIS, I MUST OFFER TWO WARNINGS. FIRST, IT WOULD BE A DANGEROUS PRECEDENT TO START REVEALING PUBLICLY IN DETAIL THE CONTENTS OF THE GIBRALTAR NEGOTIATIONS. THIS COULD HAVE A BOOMERANG EFFECT BY INFLAMING THE PUBLIC APPETITE FOR NEWS. IT MIGHT BE IN THE INTEREST OF BOTH PARTIES IF HE WERE TO REVEAL THE GIST OF HIS PROPOSALS RATHER THAN THEIR ACTUAL WORDING. SECONDLY, IT WOULD BE A MISTAKE

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FOR PEREZ-LLORCA TO EMBARK ON A HISTORICAL REVIEW OF THE GIBRALTAR PROBLEM. WITH HASSAN AND ISOLA SITTING CLOSE BEHIND YOU, THIS WOULD OBLIGE YOU TO COUNTER WITH A FORMAL REFUTATION. THE SAME PROBLEM WOULD NOT ARISE IF PEREZ-LLORCA'S STATEMENT DEALT ONLY WITH THE FUTURE IN THE CONTEXT OF OUR NEW RELATIONSHIP. THE MINISTER ASSURED ME THAT HE ACCEPTED THIS POINT. INDEED, HIS STATEMENT WOULD BE FULL OF GRACIOUS REFERENCES TO THE PEOPLE OF GIBRALTAR AND HIS GOVERNMENT'S DESIRE TO PROTECT THEIR INTERESTS AND WELL-BEING. I SAID THAT SOUNDED FINE BUT OF COURSE YOUR COMMITMENT, WHICH YOU WOULD HAVE TO RESTATE DURING THE TALKS, WAS TO RESPECT THE DEMOCRATICALLY EXPRESSED WISHES OF THE PEOPLE OF GIBRALTAR, WHICH MIGHT NOT BE QUITE THE SAME THING.

3. PEREZ-LLORCA ALSO ASKED ME HOW YOU ENVISAGED THE PRESS CONFERENCE. HE COMMENTED THAT THIS WOULD BE AN ESSENTIAL OPPORTUNITY FOR BOTH MINISTERS TO MAKE CLEAR, IN ANSWER TO QUESTIONS, POINTS WHICH WOULD NOT BE COVERED IN THE SKIMPY COMMUNIQUE. WERE YOU IN FAVOUR OF A JOINT PRESS CONFERENCE? I SAID THAT THE PRIME MINISTER HAD OPPOSED THIS IDEA IN LONDON IN JANUARY AND THE FORMULA OF SEPARATE BRIEFING MEETINGS HAD WORKED WELL. PEREZ-LLORCA SAID THAT HIS OWN INCLINATION LAY IN THE SAME DIRECTION. I MADE IT CLEAR THAT I WAS WITHOUT INSTRUCTIONS ON THIS POINT, WHICH I WOULD NOW SEEK.

4. AFTER CUENCA HAD LEFT, PEREZ-LLORCA REVEALED THE SIGNIFICANCE OF THE CONVERSATION RENUKHFBHCVE. HE WANTED TO WARN ME, ON A STRICTLY PERSONAL BASIS, THAT HIS TALKS ABOUT GIBRALTAR THAT AFTERNOON HAD GONE BADLY. OBSERVERS OF THE BRITISH SCENE HAD WARNED THE GOVERNMENT THAT HMG WERE NOW IN A TRIUMPHALIST MOOD AND WERE THEREFORE UNLIKELY TO BE PREPARED TO EMBARK ON SERIOUS NEGOTIATIONS OVER CHANGES IN THE FUTURE STATUS OF GIBRALTAR. (THIS WAS A CLEAR REFERENCE TO THE AMBASSADOR IN LONDON, WHOSE BROTHER IS A SPANISH CABINET MINISTER.) THE FOREIGN MINISTER SAID THAT HE PERSONALLY WAS VERY KEEN TO GO AHEAD ON JUNE 25 BUT NOW FEARED SERIOUS OPPOSITION IN THE CABINET TOMORROW. NEVERTHELESS, HE CONTINUED TO HOPE THAT THE MAJORITY WOULD BE ON HIS SIDE AND PUT THE CHANCES OF SUCCESS AT ABOUT 75 TO 25. IF THE DECISION WERE NEGATIVE, IT WOULD PROBABLY BE CONVEYED TO US THROUGH ANOTHER SOURCE (PERHAPS THE PRIME MINISTER). WE SHOULD SIMULTANEOUSLY BE OFFERED A NEW DATE. WE AGREED THAT THERE WAS NO POINT IN MY REHEARSING AGAIN THE ARGUMENTS FOR GOING FORWARD, SINCE PEREZ-LLORCA HAD ALREADY ACCEPTED THEM IN FULL. BUT I ADVISED HIM TO WARN THE CABINET THAT ANOTHER SPANISH PROPOSAL FOR POSTPONEMENT WOULD NOT (NOT) BE ACCPETED IN LONDON WITH THE SAME ACQUIESCENCE AS THE LAST ONE, SINCE THE CONCLUSION OF FIGHTING IN THE FALKLANDS REMOVED ANY POSSIBLE EXCUSE FOR FAILING TO IMPLEMENT THE LISBON AGREEMENT. PEREZ-LLORCA URGED ME TO TRY TO SEE HIM LATER TODAY WITH ANY FURTHER AMMUNITION I COULD PRODUCE. THE CABINET MEETING IS TOMORROW MORNING.

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5. THIS DOES NOT COME AS A PARTICULAR SURPRISE. IT WAS CLEAR LAST WEEK THAT OUR INABILITY TO AGREE TO USING THE WORD "SOVEREIGNTY" IN THE SINTRA COMMUNIQUE COULD PROVE A SERIOUS STUMBLING BLOCK FOR THE SPANISH GOVERNMENT. WE MUST ALSO ALLOW FOR THE FAMILIAR SPANISH TECHNIQUE OF FLESH CREEPING TACTICS, COMBINED WITH GENUINE LAST MINUTE TREPIDATION. NEVERTHELESS PEREZ-LLORCA IS UNDOUBTEDLY RIGHT IN SAYING THAT THE PRESENT SPANISH GOVERNMENT ARE VERY WEAK AND EXTREMELY NERVOUS ABOUT PROVOKING FURTHER INTERNAL CRITICISM. TODAY'S PRESS IS FULL ODF STORIES, QUITE UNCONNECTED WITH GIBRALTAR, ABOUT THE POSSIBLE REPLACEMENT OF CALVO SOTELO AS PRESIDENT OF THE PARTY, AND EVEN AS PRIME MINISTER DESIGNATE AT THE NEXT ELECTIONS, FOLLOWING A COUNTER-STRIKE BY THE SUAREZ FACTION. NIMBLE FOOTWORK CAN SCARCELY BE EXPECTED FROM A PRIME MINISTER WITH FEET OF CLAY.

6. I THEREFORE STRONGLY RECOMMEND THAT, BY CLOSE OF PLAY TODAY, I SHOULD BE AUTHORISED TO SPEAK AGAIN TO THE SPANISH FOREIGN MINISTER IN THE SENSE RECOMMENDED IN PARAGRAPH 8 OF MY TELEGRAM UNDER REFERENCE AND ALSO PARAGRAPH 4 OF MY TELNO 338.

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GIBRALTAR

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GRS 330
CONFIDENTIAL
DESKBY 161845Z
FM MADRID 161739Z JUNE 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 339 OF 16 JUNE
INFO IMMEDIATE GOVERNOR GIBRALTAR(PERSONAL)

MIPT

FOLLOWING IS POSSIBLE COMMUNIQUE FOR SINTRA:

ON THE BASIS OF THE JOINT STATEMENT BY THE THEN FOREIGN MINISTERS OF THE UNITED KINGDOM AND SPAIN AT LISBON ON 10 APRIL 1980, THE FOREIGN MINISTERS OF THE TWO COUNTRIES MET AT SINTRA IN PORTUGAL ON 25 AND 26 JUNE 1982. THEY ACCORDINGLY STARTED NEGOTIATIONS AIMED AT OVERCOMING ALL THE DIFFERENCES BETWEEN THEM ON GIBRALTAR.

2. THEY NOTED THAT, AS ENVISAGED IN THE LISBON AGREEMENT, DIRECT COMMUNICATIONS IN THE REGION BY LAND HAD BEEN RESTORED ON 25 JUNE SEMI-COLON AND THAT FROM THE SAME DATE THERE WOULD BE NO SPECIAL GOVERNMENTAL RESTRICTIONS ON MARITIME AND AIR COMMUNICATIONS OPEN SQUARE BRACKETS THIS SITUATION WAS PARTICULARLY WELCOMED BY SIR JOSHUA HASSAN AND MR ISOLA, RESPECTIVELY CHIEF MINISTER OF GIBRALTAR AND LEADER OF THE OPPOSITION, WHO WERE AMONG THE MEMBERS OF THE BRITISH DELEGATION CLOSE SQUARE BRACKETS.

3. THE TWO MINISTERS AGREED THAT THE ENTRY OF SPAIN INTO THE NORTH ATLANTIC ALLIANCE ON 30 MAY, WITH THE WARM WELCOME OF THE BRITISH AND OTHER ALLIED GOVERNMENTS, WOULD FACILITATE THE RESOLUTION OF THE DIFFERENCES BETWEEN THEM ON GIBRALTAR. THEY ALSO AGREED THAT IT WAS THE FIRM INTENTION OF THEMSELVES AND THEIR GOVERNMENTS TO RESOLVE THEIR DIFFERENCES OPEN SQUARE BRACKETS ABOUT THE FUTURE OF GIBRALTAR, TAKING ACCOUNT OF THE WISHES OF ITS PEOPLE AND CLOSE SQUARE BRACKETS WITHIN THE FRAMEWORK OF THEIR RELATIONSHIP AS ALLIES AND AS FUTURE PARTNERS IN THE EUROPEAN COMMUNITY.

4. THE TWO MINISTERS SET OUT THEIR RESPECTIVE POSITIONS AND THIS WAS FOLLOWED BY A FRANK EXCHANGE OF IDEAS. THEY TOOK NOTE OF EACH OTHER'S POSITION AND AGREED THAT EVERY EFFORT SHOULD BE MADE TO ACHIEVE PROGRESS OPEN SQUARE BRACKETS AS SOON AS POSSIBLE CLOSE SQUARE BRACKETS IN A SPIRIT OF FRIENDSHIP.

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5. AS ENVISAGED IN THE LISBON AGREEMENT, DISCUSSION COVERED BOTH NEGOTIATIONS ABOUT OUTSTANDING DIFFERENCES AND OPPORTUNITIES FOR DEVELOPING PRACTICAL COOPERATION ON A MUTUALLY BENEFICIAL BASIS. THESE ASPECTS WERE EXAMINED BY THE MINISTERS UNDER THREE HEADINGS: POLITICAL, MILITARY, AND ECONOMIC AND SOCIAL AFFAIRS. THEY AGREED TO HOLD FURTHER MEETINGS ON EACH OF THESE ASPECTS BETWEEN THEMSELVES OR THEIR REPRESENTATIVES. OPEN SQUARE BRACKETS THREE COMMITTEES WERE ESTABLISHED FOR THIS PURPOSE AND IT WAS AGREED THAT THEY WOULD MEET AS APPROPRIATE AT MINISTERIAL OR OFFICIAL LEVEL CLOSE SQUARE BRACKETS.

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ADDITIONAL DISTN
GIBRALTAR

GRS 400

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IS. TO NO. 10. DOWNING ST.

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DESKBY FCO 161845Z JUN 82

FM MADRID 161845Z JUN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 338 OF 16 JUNE

INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)

MY I. P. T. : GIBRALTAR

ALTHOUGH IT MIGHT IDEALLY BE BEST TO SPIN OUT THE TALKS WITH CUENCA ON THE DRAFT COMMUNIQUE UNTIL THE EVE OF THE SINTRA MEETING, THIS WILL NOT WORK IN PRACTICE. THE FOREIGN MINISTER NEEDS TO GIVE THE SPANISH CABINET ON JUNE 18 SOME FAIRLY CLEAR IDEA OF THE PROBABLE OUTCOME AT SINTRA, THOUGH NOT NECESSARILY IN THE FORM OF A TEXT, AND HE HIMSELF WILL BE OUT OF ACTION FOR MOST OF NEXT WEEK. GIVEN CUENCA'S LIMITATIONS, THE MOST REALISTIC COURSE SEEMS TO BE TO PREPARE A REVISED DRAFT, USING SQUARE BRACKETS TO EMBRACE PASSAGES WHICH MAY HAVE TO BE DISPUTED NEARER THE TIME, POSSIBLY AT MINISTERIAL LEVEL.

2. THIS MORNING CUENCA MADE A NUMBER OF POINTS ON THE DRAFT CONTAINED IN YOUR TELEGRAM NO. 209. I WAS ABLE TO DEAL WITH SOME OF THESE ON A PERSONAL BASIS IN THE LIGHT OF YOUR TELEGRAM NO. 210, TAKING ACCOUNT ALSO OF THE REORDERING PROPOSED BY THE GOVERNOR IN HIS PERSONAL TELEGRAM NO. 75.

3. ON FOUR POINTS, HOWEVER, CUENCA'S OBJECTIONS WERE MORE FAR REACHING AND I WAS OBLIGED TOTALLY TO RESERVE OUR POSITION, WITH A WARNING THAT THESE MATTERS WOULD PRESENT SERIOUS DIFFICULTIES FOR YOU IN PRESENT CIRCUMSTANCES. THEY WERE AS FOLLOWS:

A) CUENCA ARGUED THAT THERE SHOULD BE NO (NO) REFERENCE TO THE PRESENCE OF HASSAN AND ISOLA, WHETHER IN PARAGRAPH 1 OR 5. I THINK THIS WILL BE A VERY IMPORTANT POINT FOR THE SPANISH GOVERNMENT. CALVO SOTELO PLEADED IN VAIN WITH THE PRIME MINISTER IN LONDON ON JANUARY 8 THAT THE GIBRALTARIAN LEADERS SHOULD NOT BE INCLUDED AT SINTRA AT ALL. I AM OF COURSE AWARE THAT IN THE PRESENT CIRCUMSTANCES THEIR COOPERATION IS MORE IMPORTANT NOW THAN EVER. I HAVE HELD OUT NO (NO) HOPE HERE THAT WE WOULD BE WILLING TO WEAKEN AS REGARDS THEIR MENTION IN THE COMMUNIQUE.

B) AS EXPECTED, CUENCA PRESSED STRONGLY FOR SOME REFERENCE TO THE FUTURE STATUS OF GIBRALTAR TO BE INCLUDED, IF THE WORD "SOVEREIGNTY" WAS IMPOSSIBLE. AS INSTRUCTED, I WARNED HIM THAT THIS WOULD HAVE TO BE MATCHED WITH A COMMITMENT TO THE GIBRALTARIAN PEOPLE, WHICH WOULD HARDLY BE TO THE SPANISH TASTE. (PEREZ VQUE KNFBCLIGENT ABOUT THIS.)

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C) CUENCA SAID THAT THE SECOND SENTENCE OF OUR PARAGRAPH 6 DID NOT DO FULL JUSTICE TO THE IDEA OF THE THREE COMMITTEES. I SAID THAT THIS WAS PERHAPS A MATTER BEST DISCUSSED AT MINISTERIAL LEVEL. (PEREZ LLORCA HAD EARLIER GIVEN A WRY SMILE WHEN I ASKED HIM WHETHER HE REALLY WANTED ANOTHER MINISTERIAL MEETING BEFORE THE SPANISH SUMMER RECESS. HE BRIGHTENED UP A BIT WHEN I REMINDED HIM THAT THERE COULD IN ANY CASE BE A MINISTERIAL MEETING IN LATE SEPTEMBER IN NEW YORK.)

D) CUENCA WANTED MORE LANGUAGE FROM THE LISBON AGREEMENT AND FROM FROM THE JANUARY 8 EXCHANGE OF LETTERS, PARTICULARLY ON THE SUBJECT OF EQUALITY OF RIGHTS. PEREZ LLORCA, HOWEVER, HAD SEEMED TO SUGGEST THAT THE LATTER POINT MIGHT BE COVERED IMPLICITLY BY EXPANDING THE ECONOMIC COMMITTEE TO INCLUDE SOCIAL ASPECTS.

4. MY IMMEDIATELY FOLLOWING TELEGRAM CONTAINS A REVISED DRAFT WHICH ATTEMPTS TO TIDY UP SOME LOOSE ENDS AND, FOR EASE OF REFERENCE TO INCLUDE CONTROVERSIAL POINTS ON WHICH YOUR POSITION HAS BEEN FULLY RESERVED. IT WOULD BE USEFUL TO HAVE A REACTION IN TIME FOR ME TO GO OVER IT WITH PEREZ LLORCA, PERHAPS ON A PERSONAL BASIS AND WITHOUT COMMITTING YOU, IF AT ALL POSSIBLE BEFORE THE CABINET MEETING.

PARSONS

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GIBRALTAR

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FM MADRID 161540Z JUNE 82

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

TO IMMEDIATE FCO

TELEGRAM NUMBER 337 OF 16 JUNE

INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL) UKDEL NATO
AND MOD (DS 12 DPS)

YOUR TELNO 208: GIBRALTAR

I HAD A LONG TALK THIS MORNING WITH THE SPANISH FOREIGN MINISTER. WE WENT OVER THE SAME GROUND YOU DISCUSSED WITH HIM IN BONN LAST WEEK (YOUR TELNO 203) AND WHICH WE COVERED IN LONDON THE FOLLOWING DAY. PEREZ-LLORCA SEEMED PLEASED WITH HIS REALISTIC, IF NOT ENTIRELY PALATABLE, CONVERSATION WITH YOU IN BONN. HE SHOWED RECOGNITION FOR YOUR DIFFICULTIES AND THOUGHT YOU HAD ALSO UNDERSTOOD HIS.

2. PEREZ-LLORCA SEEMED SATISFIED BY THE TIMING OF THE OUTCOME IN THE FALKLAND ISLANDS. HE THOUGHT THIS HAD HELPED TO CLEAR THE AIR BEFORE SINTRA. HE ACCEPTED MY ARGUMENT THAT ARMS SUPPLIES MUST CONTINUE TO BE DENIED TO ARGENTINA, WHOSE AIR FORCE REMAINED A POTENTIAL HAZARD.

3. SPEAKING FRANKLY, PEREZ-LLORCA REVEALED THAT HE STILL HAD TO OBTAIN CABINET CLEARANCE FOR THE GIBRALTAR OPERATION ON 25 JUNE. THIS WOULD BE SOUGHT AT A CABINET MEETING THIS FRIDAY, 18 JUNE, THE LAST OPPORTUNITY. (HE WILL BE IN LUXEMBOURG ON 21 JUNE, MITTERAND WILL BE HERE ON 22 AND 23 JUNE AND 24 JUNE IS THE KING'S NAME DAY). HE REVEALED THAT HE WAS STILL FACING OPPOSITION NOT FROM CALVO SOTELO HIMSELF BUT FROM SOME MEMBERS OF THE CABINET AND OTHERS CLOSE TO THEM, INCLUDING THE AMBASSADOR IN LONDON. ARIAS SALGADO WOULD BE KEPT HERE IN COLD STORAGE UNTIL SINTRA. HE ASKED ME TO BELIEVE THAT HE FACED GENUINE DIFFICULTIES HERE IN SPITE OF HIS OWN ANXIETY TO GO AHEAD. (I DO). IT IS THE RIGHT WING WHO WILL BE THE MAIN OPPONENTS.

4. PEREZ-LLORCA SAID I MUST HELP HIM WITH ARGUMENTS HE COULD USE IN THE CABINET. WHAT WAS MY PERSONAL VIEW OF THE BRITISH REACTION IF IT SHOULD BE SUGGESTED THAT THE FRONTIER OPENING AND SINTRA NEGOTIATIONS BE POSTPONED YET AGAIN? I SAID I THOUGHT THIS WOULD BE QUITE DISASTROUS. IT HAD ALREADY BEEN NOTED BY BRITISH MINISTERS THAT THE SPANISH REPRESENTATIVE IN NEW YORK HAD CELEBRATED SPANISH ENTRY INTO NATO BY PROPOSING TWO RESOLUTIONS IN THE SECURITY COUNCIL (ON THE SOUTH ATLANTIC AND MIDDLE EAST) WHICH, QUITE APART FROM THE BRITISH REACTION, HAD PROVOKED A VETO BY THE MAJOR POWER IN THE ALLIANCE. PEREZ-LLORCA COMMENTED THAT DE PINTIES WAS INDEED AN EMBARRASING HANG-OVER FROM THE FRANCO ERA, THOUGH IT WAS TRUE THAT RECENT SPANISH POLICY HAD BEEN AMBIVALENT BECAUSE

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OF THE NEED SLOWLY TO EDUCATE THE COUNTRY TO THE NEW REALITIES OF THEIR INTERNATIONAL POSITION. I ADDED THAT CALVO SOTELO'S IMPLICIT REFERENCE TO THE SOUTH ATLANTIC SITUATION AT THE NATO SUMMIT HAD NOT BEEN ENTHUSIASTICALLY RECEIVED BY BRITISH MINISTERS. PEREZ-LLORCA SAID THAT THIS POINT HAD NOT GONE UNREMARKED. I EXPLAINED THAT I HAD REFERRED TO THIS SAD RECENT HISTORY TO SHOW THAT ANY SPANISH PROPOSAL TO DELAY IMPLEMENTATION OF THE LISBON AGREEMENT WOULD EXACERBATE SUSPICIONS IN LONDON. WE SHOULD CERTAINLY INSIST ON PINNING THE BLAME UNILATERALLY ON SPAIN THIS TIME. NOR WOULD IT BE AT ALL EASY TO CARRY THE GIBALTARIAN LEADERS WITH US ANY LONGER. IT WOULD PROBABLY MEAN THE END OF THE LISBON PROCESS. SPAIN WOULD THEN BE OFFERED THE WORSE ALTERNATIVE OF OPENING THE FRONTIER SIMPLY IN ORDER TO GET INTO THE COMMUNITY. PEREZ-LLORCA SAID THAT ALL THIS SQUARED WITH HIS OWN ANALYSIS. IT WAS USEFUL TO HAVE IT FOR THE CABINET.

5. I ADVISED PEREZ LLORCA NOT TO MAKE TOO MUCH OF A MEAL, EITHER WITH HIS COLLEAGUES OR WITH YOU, OF THE DRAFT PRESS STATEMENT FOR SINTRA. OUR DRAFT, WHICH I HAD COMMUNICATED THE EVENING BEFORE TO CUENCA (YOUR TELEGRAM NO. 209) WAS INEVITABLY VAGUE. BUT IT HAD AT LEAST THE MERIT FOR SPAIN OF FAILING TO SPELL OUT IN DETAIL OUR COMMITMENT TO THE PEOPLE OF GIBRALTAR. WE SHOULD HAVE TO DO THAT IF THEY PRESSED FOR MORE PRECISE LANGUAGE ABOUT THE AIMS OF THE NEGOTIATION. WE AGREED THAT IT WOULD PROBABLY BE DIFFICULT FOR ME TO REACH TOTAL AGREEMENT ON LANGUAGE WITH CUENCA AND THAT CERTAIN KEY POINTS MIGHT HAVE TO BE REVERSED FOR DISCUSSION BETWEEN MINISTERS. PEREZ LLORCA WOULD LIKE TO SEE YOU IN LUXEMBOURG ON 21 JUNE, IF YOU ARE THERE. HE ALSO WELCOMES THE IDEA OF MEETING YOU AT LUNCH IN SINTRA BEFORE THE MEETINGS BEGIN (YOUR TELEGRAM NO. 206).

6. IN SUPPORT OF THE ARGUMENT THAT TOO MUCH SHOULD NOT BE BUILT ON THE TEXT ITSELF, I EMPHASISED YOUR WILLINGNESS TO DISCUSS PERSONALLY WITH PEREZ LLORCA THE WHOLE QUESTION OF PUBLICITY (PARA 3 OF YOUR TELEGRAM NO. 208). THE OBJECT SHOULD BE TO MAKE SURE THAT NEITHER MINISTER, IN RESPONSE TO SUPPLEMENTARY QUESTIONS, GAVE A REPLY WHICH WOULD BE UNDULY AWKWARD FOR HIS COLLEAGUE.

7. IT IS CLEAR THAT WHAT PEREZ LLORCA NEEDS IS TO SHOW THAT NEGOTIATIONS HAVE BEGUN SERIOUSLY AT SINTRA; THAT HE HAS SAID HIS BIT AND YOU HAVE LISTENED; AND THAT A SYSTEM HAS BEEN AGREED FOR CARRYING THE DIALOGUE FORWARD IN A PURPOSEFUL MANNER. HE ATTACHES GREAT IMPORTANCE TO THE THREE COMMITTEES, THOUGH I REMINDED HIM THAT IN BONN (YOUR TELEGRAM NO. 203) YOU HAD DONE NO MORE THAN AGREE TO CONSIDER THIS IDEA ALONG WITH OTHERS. I MENTIONED BRIEFLY AND WITHOUT DETAIL THE VALUE OF SHOWING SOME GLIMMER OF MOVEMENT ON THE DEFENCE SIDE (YOUR TELEGRAM NO. 47 TO THE GOVERNOR OF GIBRALTAR PERSONAL). HE READILY AGREED.

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18. COMMENT

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8. COMMENT. PEREZ LLORCA CLEARLY REMAINS ON COURSE. BUT I TAKE AT ITS FACE VALUE HIS WARNING THAT HE STILL HAS TO CARRY THE SPANISH CABINET WITH HIM. FOR THIS PURPOSE, AND ALSO TO TAKE SOME OF THE HEAT OUT OF THE ISSUE OF THE COMMUNIQUE, IT WOULD BE VALUABLE IF, BY CLOSE OF PLAY TOMORROW, I COULD BE AUTHORISED TO SPEAK PERSONALLY TO PEREZ LLORCA IN THE SENSE OF THE FIRST SENTENCE OF PARAGRAPH 2 OF YOUR TELEGRAM NO. 47 PERSONAL TO THE GOVERNOR GIBRALTAR. I FULLY ENDORSE YOUR VIEW THAT THIS COULD CONTRIBUTE SIGNIFICANTLY TO A SUCCESSFUL OUTCOME AT SINTRA. PEREZ LLORCA WOULD FEEL THE SAME. THERE WOULD BE NO (NO) NEED TO PUT THE POINT IN THE COMMUNIQUE. THIS MIGHT BE UNSUITABLE, SINCE THE MATTER STILL HAS TO BE JUDGED BY THE NATO MILITARY AUTHORITIES. BUT IT WOULD HELP PEREZ LLORCA IF HE COULD TELL HIS COLLEAGUES THIS FRIDAY THAT HE HAS AN INFORMAL UNDERSTANDING WITH YOU THAT THIS POINT COULD BE MADE CLEAR AT THE CONCLUSION OF THE SINTRA MEETING.

9. MY IMMEDIATELY FOLLOWING TELEGRAM REPORTS MY SUBSEQUENT CONVERSATION WITH CUENCA ABOUT THE COMMUNIQUE.

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