CONFIDENTIAL

GRS 450 CONFIDENTIAL FM MADRID Ø51124Z JUL 82 TO PRIORITY FCO TELEGRAM NUMBER 387 OF 5 JULY INFO PRIORITY GOVERNOR GIBRALTAR (PERSONAL). INFO ROUTINE UKMIS NEW YORK, UKDEL NATO.

Sibralter had in full.

YOUR TELEGRAM NO 227: GIBRALTAR

THE SPANISH FOREIGN MINISTER TELEPHONED ME LATE ON 2 JULY TO EXPRESS CONCERN ABOUT THE PRIME MINISTER'S REFERENCE IN PARLIAMENT THE DAY BEFORE TO FEELING "VERY RESENTFUL" OF THE ATTITUDE TAKEN BY THE SPANISH GOVERNMENT OVER THE FALKLAND CRISIS (YOUR TELEGRAM NO 231). HE THOUGHT THAT IN THE CIRCUM-STANCES IT WOULD BE DESIRABLE FBR HIM TO MAKE FURTHER DIRECT CONTACT WITH THE BRITISH GOVERNMENT THROUGH THE SECRETARY OF STATE FOR NORTHERN IRELAND, WHO HAS BEEN VISITING MADRID TO SUPPORT THE NORTHERN IRELAND AND ENGLISH TEAMS IN THE WORLD CUP.

- 2. I ACCORDINGLY TOOK MR PRIOR TO SEE PEREZ-LLORGA THIS MORNING. THE INTERVIEW WAS FRANK BUT FRIENDLY. THE FOREIGN MINISTER EXPLAINED THE SPANISH ATTITUDE TOWARDS GIBRALTAR ALONG FAMILIAR LINES, WHILE RECOGNISING THAT FOREIGN AFFAIRS LAY OUTSIDE MR PRIOR'S BIRECT AREA OF MINISTERIAL RESPONSIBILITY. PEREZ-LLORCA DEVELOPED THE SPANISH OFFER TO THE GIBRALTARIAN PEOPLE OF AUTONOMY WITHIN THE SPANISH STATE. HE DID NOT DISSENT WHEN MR PRIOR POINTED OUT THAT THE WAY TOWARDS THIS COULD ONLY BE THROUGH OPENING THE FRONTIER AND SO DEVELOPING A BETTER UNDERSTANDING BETWEEN THE PEOPLE ON BOTH SIDES. PEREZ-LLORCA EMPHASISED THAT HE STILL HOPED THAT IT WOULD BE POSSIBLE TO OPEN THE FRONTIER COMPLETELY AND TO START NEGOTIATIONS ON THE LISBON BASIS AS SOON AS THE ATMOSPHERE HAD COOLED.
- 3. PEREZ-LLORCA SAID THAT HE HAD ALREADY GIVEN INSTRUCTIONS THAT THE FRONTIER WAS TO BE OPENED FORTHWITH IN CASES OF PERSONAL HARDSHIP OR DISASTER. (THIS HAS INDEED BEEN MENTIONED IN THE SPANISH PRESS). HE WOULD TRY TO WIDEN THIS FURTHER IN THE NEXT WEEKS. IT WAS MEANT AS A GESTURE. AS IN PREVIOUS CONVERSATIONS WITH ME, HE REPEATED HIS HOPE OF PERSUADING THE SPANISH CABINET TO AGREE IN A MONTH OR TWO TO OPENING THE FRONTIER COMPLETELY TO PEDESTRIAN TRAFFIC. MR PRIOR WELCOMED THIS AS A STEP IN THE RIGHT DIRECTION. AT THE SAME TIME WE LEFT PEREZ-LLORCA IN NO DOUBT THAT THIS WOULD NOT BE AN ADEQUATE SUBSTITUTE FOR FULL IMPLEMENTATION OF THE LISBON AGREEMENT.
- 4. PEREZ-LLORCA ALSO REVERTED TO HIS IDEA OF SEEKING CLARIFICATION FROM US ABOUT OUR COMMITMENT ON JANUARY 8 ABOUT THE STATUS OF SPANIARDS IN GIBRALTAR. I SAID THAT CLARIFICATION ABOUT WHAT WE HAD ALREADY UNDERTAKEN SHOULD NOT BE A PROBLEM. BUT WE COULD NOT BE EXPECTED TO MAKE FRESH CONCESSIONS IN ADVANCE OF FULL IMPLEMENTATION OF THE LISBON AGREEMENT.

CONFIDENTIAL

blee Bond

5. FINALLY THE FOREIGN MINISTER APPEALED TO MR PRIOR TO USE HIS INFLUENCE WITHIN THE BRITISH GOVERNMENT TO TRY TO AVOID STATEMENTS WHICH MIGHT PROVOKE FURTHER TENSION. MR PRIOR EXPLAINED THAT PUBLIC OPINION IN BRITAIN DID INDEED FEEL STRONGLY OVER THE QUESTION OF THE FALKLAND ISLANDS AND THE BRITISH GOVERNMENT HAD, FOR EXAMPLE, BEEN SERIOUSLY DISAPPOINTED BY SOME OF THE ACTIONS TAKEN BY THE SPANISH DELEGATION AT THE UNITED NATIONS. NEVERTHELESS HE AGREED THAT ON BOTH SIDES WE MUST NOW LOOK TOWARDS THE FUTURE, IN ACCORDANCE WITH OUR JOINT MEMBERSHIP OF NATO.

PARSONS

LIMITED
SED
DEFED
ECD(E)
NEWS)
PS
MRHURD
PS LORD BELSTEAD
PS PUS
SIR J. BULLARD
MR 2000 ISON

ADDITIONAL DISTN: SIBRALTAR

> THIS TELEGRAM WAS NOT ADVANCED

2 CONFIDENTIAL GRS 22Ø
UNCLASSIFIED
FM MADRID 3ØØ914Z JUNE 82
TO PRIORITY FCO
TELEGRAM NUMBER 378 OF 3Ø JUNE
INFO PRIORITY GIBRALTAR

PS. NO 10. DOWNING STREET.



GIBRALTAR

- 1. YESTERDAY'S EDITION OF EL PAIS CONTAINED A STRONG EDITORIAL IN FAVOUR OF THE REOPENING OF THE FRONTIER.
- 2. THE ARTICLE ATTRIBUTES THE FREEZING OF THE TALKS ON GIBRALTAR TO THE EMOTIONAL CLIMATE IN THE UK RESULTING FROM THE FALKLANDS CAMPAIGN. BUT IT SUGGESTS THAT IF WE HAD LET THE ARGENTINIANS KEEP THE FALKLANDS, WOUNDED BRITISH PRIDE WOULD EQUALLY HAVE PREVENTED PROGRESS OVER GIBRALTAR. THE ARTICLE REFERS BACK TO FRANCO'S ''MATURE FRUIT' THEORY AND SAYS THAT EVEN IN BRITAIN'S WORST HOURS DURING THE SECOND WORLD WAR PRUDENCE ON SPAIN'S PART PREVAILED: THE EXTREME RIGHT SHOULD TAKE NOTE OF THAT. SPAIN IS NOW IN NATO AND SHE CAN HOPE TO BE A MEMBER OF THE COMMUNITY SOON. ONCE THIS HAS BEEN ACHIEVED, IT WOULD BE INCONCEIVABLE THAT THE GIBRALTAR PROBLEM WOULD BE DEALT WITH IN THE SAME TERMS OF EXAGGERATED NATIONALISM IN SOME QUARTERS AND TENSION AS IS THE CASE TODAY.
- 3. THE KEY TO A GIBRALTAR SOLUTION, CONTINUES THE ARTICLE, IS TO GUARANTEE TO THE INHABITANTS OF GIBRALTAR THEIR AUTONOMY WITHIN A DEMOCRATIC SPAIN. BUT THAT OBJECTIVE IMPLIES THAT SPANIARDS SHOULD START TREATING THE GIBRALTARIANS NOW AS FUTURE FELLOW CITIZENS. THE FIRST STEP WOULD BE TO OPEN THE FRONTIER, WHOSE CLOSURE IS BOTH HUMILIATING FOR GIBRALTAR AND PREJUDICIAL FOR THE PEOPLE OF THE CAMPO.

 BUT THE OPENING SHOULD NOT BE MADE CONDITIONAL UPON THE HOLDING OF THE TALKS BETWEEN THE SPANISH AND BRITISH PRIME MINISTERS KEEPING THE BORDER CLOSED IS A KIND OF LIMITED WAR A SMALLER VERSION OF THE ROUTE FOLLOWED BY ARGENTINA. WHAT IS NEEDED IS THAT GIBRALTARIANS AND SPANIARDS SHOULD TEARN TO LIVE TOGETHER.

PARSONS

LIMITED

SED
WED
ECD(E)
DEFENCE D
INFORMATION D
NEWS D
PS
PS/MR HURD
PS/LORD BELSTEAD
SIR J BULLARD
MR GOODISON

ADDITIONAL DISTRIBUTION

GIBRALTAR