



Foreign and Commonwealth Office

London SW1A 2AH

28 September, 1982

Prime Minister

To note.

A. J. C. 30.

Dear John,

Gibraltar

In your letter of 16 September to the Secretary of the Cabinet you said that the Prime Minister wished to be kept informed of any new developments during her absence affecting the threat to Gibraltar.

There have been no new developments which directly affect the threat to Gibraltar's security while the Prime Minister has been in the Far East. You may nonetheless find it useful to be brought up to date on developments which affect Gibraltar more generally.

On 24 September the Foreign and Commonwealth Secretary and Lord Belstead had discussions with the Chief Minister of Gibraltar and Leader of the Opposition. Despite resentment in Gibraltar about Spain's failure to implement the Lisbon agreement, the Gibraltar leaders still clearly want the border open. Sir Joshua Hassan's most immediate concerns however were the effect on the economy both of the closure of the Naval Dockyard and uncertainty about the opening of the border, together with the possibility of industrial action by those opposed to either closure of the dockyard or its transformation into a commercial operation. Consultants to the Gibraltar Government have just prepared an evaluation of proposals from potential operators of a commercial dockyard. This, together with the views of the Gibraltar Government, will now be studied urgently by officials before putting to OD recommendations on how to carry out our undertaking to consider alternative means of fulfilling the obligation to support the Gibraltar economy when the naval dockyard is closed in 1983. All the options are likely to involve substantial sums of money.

In Spain, where elections are due to take place on 28 October, the Spanish Socialist Party is still the favourite to gain the most seats; but the socialists may have to form a coalition. So far they have shown a fairly moderate attitude towards the Gibraltar question and several leading members of the Socialist Party have said recently that, if their Party formed the Government, they would open the border. In practice, however, the Party's policies in government would be influenced by such factors as the size of their majority and the views of any coalition partner. They will also be affected by the likely views of the military towards any concessions on Gibraltar. It is very unlikely that they would be prepared to open the border without seeking concessions in return.

SECRET UK EYES ALPHA



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Your letter also commissioned a report on the operational implications of JIC(82)(N)88. I understand MOD are submitting separately, although FCO have been closely involved in the drafting. I believe the paper will reflect our view that in the present circumstances some enhancement of Gibraltar's defence capability is required.

I am copying this letter to Richard Hatfield (Cabinet Office) and to Richard Mottram (Ministry of Defence).

(J E Holmes)

Private Secretary

Your eve

A J Coles Esq Private Secretary 10 Downing Street

RELEASE TIME: OOOL HOURS ON MONDAY, 18TH OCTOBER, 1982 MELTON M.P. TO RECEIVE FREEDOM OF THE CITY OF GIBRALTAR Melton M.P., Michael Latham, will fly out to Gibraltar on Friday, 22nd October, as part of a group of British Parliamentarians who will receive the Freedom of the City of Gibraltar. This honour arises from a visit made by four British M.Ps and Peers, including Mr. Latham, to Gibraltar in September 1980. They had been invited under the auspices of the Commonwealth Parliamentary Association and spent five days meeting a wide ranging section of During the trip, all Gibraltarians, without exception, expressed their dismay at the proposals put forward by the British Government as part of their view of the Law of Nationality to confer upon Gibraltarians the new citizenship of British Dependent Territories. The Gibraltarians felt this would represent a serious weakening of their ties with Britain, to which they attach great importance. Mr. Latham was impressed by the strength of feeling of the Rock's inhabitants, who have experienced a totally closed frontier with Spain since 1969. He promised to do what he could to get them full British citizenship. On his return to the U.K., he joined with other M.Ps to re-form the All-Party British/Gibraltar Parliamentary Group, which had been inactive for some years. Mr. Latham was elected Secretary, and he still holds that position now. When the British Nationality Bill came before Parliament in 1981, strong attempts were made by Conservative M.Ps. with all-party support, to give full citizenship to Gibraltar. An amendment by Mr. Albert McQuarrie (Con: Aberdeenshire East), who is Chairman of the All-Party British/Gibraltar Parliamentary Group, was narrowly defeated. Over 20 Conservative M.Ps, including Mr. Latham, voted continued....

PRESS RELEASE

people on the Rock.

continued... 2.

against the Government. However, when the Bill went to the House of Lords, the Government were defeated, and they decided to accept the defeat. The Bill passed into law with a provision which allows Gibraltarians to obtain full British citizenship.

Reaction on the Rock was one of delight. During the spring and summer of 1982, the House of Assembly of Gibraltar unanimously voted to confer the Freedom of the City of Gibraltar on the British/Gibraltar Parliamentary Group. It will be formally conferred by the Mayor on Saturday, 23rd October at the Town Hall. This honour, which is very rarely granted at all, is also exceptional in that the Commonwealth Parliamentary Association know of no other occasion when a British C.P.A. Group has had it conferred upon them.

The party receiving the Freedom will be:-

Mr. Albert McQuarrie, M.P. (Con: Aberdeenshire East) Chairman of the British/Gibraltar Group.

The Rt. Hon. Denzil Davies, M.P. (Lab: Llanelli) Opposition Spokesman on Foreign Affairs.

Mr. Michael Latham, M.P. (Con: Melton) Secretary of the British/Gibraltar Group.

Lord Wigoder, Q.C. (Lib:)

Lord Hughes (Lab:)

Lord Bethel (Con:) who is also a member of the European Parliament and takes a special interest in Gibraltar.

Mr. Latham will return to the U.K. on Sunday, 24th October. He, Mrs. Latham and their two young sons, James and Richard, had a week's private family seaside holiday in Gibraltar during August of this year.

Dated: Friday, 15th October, 1982.

cc. Melton Times
Melton & Rutland Journal
Leicester Mercury
Leicester Advertiser (Mr. Wilkes)
Loughborough Echo
Loughborough News

Miss C.Slomkowska Radio Leicester Radio Trent Radio Nottingham Centre Radio CONFIDENTIAL

GRS 600 CONFIDENTIAL FM MADRID 171600Z OCT 82 TO IMMEDIATE FCO TELEGRAM NUMBER 544 OF 17 OCTOBER INFO UKDEL NATO, ACTING GOVERNOR GIBRALTAR (PERSONAL) A J. C. 19.

MY IMMEDIATELY PRECEDING TELEGRAM (NOT TO ALL) CONVERSATION WITH SPANISH FOREIGN MINISTER ON 16 OCTOBER

AS REAGRDS GIBRALTAR, PEREZ LLORCA SAID HE HAD BEEN DISTRESSED BY THE SUGGESTION, MADE PUBLICLY BY SIR JOSHUA HASSAN AND POSSIBLY ACCEPTED BY OTHERS, THAT THE SPANISH GOVERNMENT HAD SET OUT TO TRICK BY GETTING INTO NATO WHILE LEAVING THE GIBRALTAR FRONTIER CLOSED. THIS HAD NOT BEEN THE CASE. THE NATO PROTOCOL HAD BEEN SIGNED LST DECEMBER. IN JANUARY THE SPANISH GOVERNMENT HAD SET A DATE IN APRIL FOR IMPLEMENTING THE LISBON AGREEMENT. THIS HAD BEEN KNOCKED ON THE HEAD BY THE EMOTIONS STIRRED BY THE SOUTH ATLANTIC CONFLICT. WHATEVER THE ACTUAL WORDING OF THE LISBON AGREEMENT, THE POLITICAL REALITY HAD BEEN THAT THIS LAST SUMMER THE SPANISH GOVERNMENT HAD NEEDED A BIT EXTRA TO JUSTIFY TO THEIR PUBLIC OPINION THE IMPLEMENTATION OF THE LISBON AGREEMENT, WHEREAS THE BRITISH GOVERNMENT HAD NEEDED A BIT LESS. THERE SHOULD BE NO HARD ' FEELINGS ABOUT THIS THOUGH HE ADMITTED THAT SPANISH ACTIONS AT THE UNITED NATIONS HAD SOMETIMES BEEN UNFORTUNATE (SEE MY TELEGRAM NO. 541).

- 2. PEREZ LLORCA SAID WE UST CONTINUE TO KEEP IN TOUCH WITH A VIEW TO SETTING A DATE BEFORE TOO LONG FOR IMPLEMENTING THE LISBON AGREEMENT. I SAID THAT IT NEEDED TO BE RECOGNISED ON BOTH SIDES THAT THE NEGOTIATIONS WOULD TAKE A VERY LONG TIME. QUICK RESULTS COULD NOT (MOT) BE EXPECTED. EVERYTHING DEPENDED UPON THE ABILITY OF SPAIN TO MAKE HERSELF MORE ATTRACTIVE TO THE PEOPLE OF GIBRALTAR. PEREZ LLORCA SAID THAT THIS WAS OF COURSE UNDERSTOOD.
- 3. HE CONTINUED THAT HE HAD DONE HIS BEST TO START PREPARING SPANISH OPINION TO TAKE MUCH MORE REALISTIC VIEW OF THE NEED TO WIN OVER GIBRALTARIAN OPINION BY FAIR MEANS. WE WOULD HAVE NOTED THAT ON VARIOUS OCCASIONS THIS YEAR HE HAD SPOKEN PUBLICLY NOT ONLY ABOUT THE INTERESTS AND WELL BEING OF THE PEOPLE OF GIBRALTAR BUT ALSO ABOUT THEIR RIGHTS. (WE ARE CHECKING THIS.) HE ENVISAGED THAT THE GIBRALTARIANS WOULD EVENTUALLY BE OFFERED AUTONOMY MUCH MORE EXTENSIVE THAN THAT AT PRESENT ENJOYED BY THE BASQUES AND CATALANS. THEY WOULD BE ACCEPTED AS A BRITISH COMMUNITY WITHIN THE SPANISH STATE AND THEIR DUAL MATIONALITY WOULD BE SAFEGUARDED. PEREZ-LLORCA HIMSELF WAS FULLY PREPARED TO CONCEDE TO THE PEOPLE OF GIBRALTAR THE RIGHT TO DECIDE THEIR OWN FUTURE. BUT HE COULD ONLY CONCEDE THIS RIGHT PUBLICLY ONCE HE WAS SURE THAT THEY WOULD TAKE THE CORRECT DECISION EXCLAM

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4. FINALLY, PEREZ-LLORCA SAID THAT IT WOULD NOT (NOT) BE ENOUGH FOR THE TWO MINISTERS TO REACH A PRIVATE AGREEMENT ON THE WAY AHEAD IN THE NEGOTIATIONS ENVISAGED AT LISBON. THE ESSENTIAL THING ALSO WAS TO HAVE AN ATTRACTIVE PACKAGE FOR PUBLIC.

PRESENTATION. HE HAD BEEN HOPEFUL, FOR EXAMPLE, WHEN WE SEEMED INTERESTED IN THE POSSIBILITY OF ESTABLISHING THREE COMMITTEES. BUT OF COURSE HE UNDERSTOOD WHY THE POLITICAL SITUATION HAD HAD CAUSED THIS IDEA TO BE ABANDONED.

5. ALL THIS MAY SEEM STRANGE TALK FROM THE FOREIGN MINISTER OF AN OUT-GOING GOVERNMENT. IT COULD HAVE BEEN HIS SWAM-SONG FOR US. BUT IT IS JUST CONCEIVABLE THAT PEPEZ-LLORGA COULD RETAIN HIS PORTFOLIO IN A LEFT OF CENTRE COALITION INVOLVING THE SOCIALISTS AND THE UCD (SEE MY TELNO 536). THIS POSSIBILITY COULD BE CONNECTED WITH PEREZ-LLORGA'S CONSIDERABLE PERSONAL INTEREST IN THE UN CONSENSUS NOW NEGOTIATED. CERTAINLY HIS THOUGHTS ON GIBRALTAR, AS REPORTED ABOVE, DO NOT SEEM MUCH DIFFERENT FROM THE SOCIALIST PLATFORM.

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HR GOOD ISON

MR HANNAY

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10 DOWNING STREET

From the Private Secretary

11 October, 1982

Gibraltar

The Prime Minister was most grateful for the full account in your letter of 7 October of the measures taken to deal with possible threats to Gibraltar.

I am copying this letter to Roger Bone (Foreign and Commonwealth Office) and Richard Hatfield (Cabinet Office).

A. J. COLES

Richard Mottram, Esq., Ministry of Defence

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The Prime Minister has noted the contents of your letter of 28 September.

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John Holmes, Esq., Foreign and Commonwealth Office.





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London SW1A 2AH

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(J E Holmes)

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A J Coles Esq Private Secretary 10 Downing Street SECRET UK EYES A

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10 DOWNING STREET

From the Private Secretary

SIR ROBERT ARMSTRONG

GIBRALTAR

The Prime Minister has seen your minute of 13 September about the threat to Gibraltar and the amount of warning time which we might receive of an impending Spanish attack.

Mrs. Thatcher notes that Departments are now considering the operational implications of JIC(82)(N)88. She hopes that this study can be completed urgently and a report made to her on her return from the Far East. She would also wish to be kept informed during her absence of any new developments affecting the threat to Gibraltar.

I am copying this minute to Mr. Fall (Foreign and Commonwealth Office) and Mr. Mottram (Ministry of Defence).

E IL COLES

16 September 1982

SECRET.

