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TO PRIORITY FCO

TELEGRAM NUMBER 599 OF 16 NOVEMBER
INFO PRIORITY UKDEL NATO GOVERNOR GIBRALTAR (PERSONAL)
INFO MODUK BONN UKREP BRUSSELS, MASHINGTON

YOUR TELNO 329: SPAIN/GIBRALTAR/NATO

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- 1. I HAD LUNCH TODAY WITH FERNANDO MORAN, WHO ALONG WITH OTHERS IS BEING CANVASSED AS A POSSIBLE NEW SOCIALIST FOREIGN MINISTER. WHILE I HAVE DOUBTS ABOUT HIS GETTING THAT PARTICULAR JOB, HE WILL, AS A FORMER SENATOR, A CONGRESSMAN ELECT AND A PROFESSIONAL DIPLOMAT WITH PREVIOUS SERVICE IN LONDON, PROBABLY HAVE A CONSIDERABLE INFLUENCE ON THE FOREIGN POLICY OF THE SOCIALIST GOVERNMENT.
- 2. MORAN BEGAN BY ASKING WHAT OVERTURES THE BRITISH
 GOVERNMENT MIGHT MAKE TO THE NEW SOCIALIST GOVERNMENT ON
 GIBRALTAR. I REPLIED THAT NONE WERE NEEDED. OUR POSITION WAS
 QUITE CLEAR. WE STOOD BY THE LISBON AGREEMENT (MOSCOW TELNO
 729). THAT AGREEMENT REPRESENTED A FAIR BALANCE FOR SPAIN
 AND BRITAIN, NAMELY THE OPENING OF THE FRONTIER IN RETURN
 FOR THE START OF NEGOTIATIONS.
- A. MORAN SEEMED TO ACCEPT THIS. HE SAID THAT, CONTRARY TO EXPECTATIONS RAISED IN THE PRESS AS A RESULT OF STATEMENTS MADE DURING THE SUMMER BY ALFONSO GUERRA IN SAN ROQUE, THERE WAS NO PROSPECT OF A UNILATERAL OPENING OF THE FRONTIER IN RESPONSE TO PRESSURE FROM THE SOCIALISTS IN THE CAMPO. THE SOCIALISTS WOULD REQUIRE ANY SUCH OPENING TO BE MATCHED BY NEGOTIATIONS 'ON ALL OUR DIFFERENCES' IN THE LISBON LANGUAGE. BEFORE AGREEING TO GO AHEAD, HE THOUGHT THAT THERE WOULD BE NEED FOR A MEETING OF MINDS BETWEEN BOTH GOVERNMENTS AS TO WHAT MIGHT BE EXPECTED FROM THOSE NEGOTIATIONS. I EMPHASISED THAT THE LISBON AGREEMENT WAS AN ENTIRELY REASONABLE ONE AND THAT IT WOULD BE A GREAT MISTAKE FOR SPAIN TO TRY TO EXTRACT, AS A CONDITION FOR THE OPENING OF THE FRONTIER, MORE THAN WAS ALREADY ON THE TABLE.
- 4. MORAN DESCRIBED THE SOCIALIST STANCE ON NATO IN SPANDARD TERMS: A FREEZE ON INTEGRATION INTO THE MILITARY STRUCTURE TO BE FOLLOWED IN SLOW TIME BY A REFERENDUM ON MEMBERSHIP. BUT HE ADDED THAT THERE WAS A SCHOOL OF THOUGHT WITHIN THE PARTY WHICH WAS IN FAVOUR OF AN EARLY REFERENDUM TO PREVENT SPAIN BEING SUCKED INTO NATO ACTIVITIES IN THE WAY PAPANDREOU HAD BEEN.

15. I POINTED

5. I POINTED OUT THAT OPENING OF THE GIBRALTAR FRONTIER COULD LEAD TO COOPERATION BETWEEN BRITAIN AND SPAIN ON NATO COMMAND STRUCTURES. THIS WOULD HAVE THE ADVANTAGE OF GIVING THE NEW GOVERNMENT A POSITIVE REASON TO PRESENT IN DUE COURSE TO THE SPANISH PUBLIC FOR REMAINING IN NATO AND AT THE SAME TIME SHOW MOMENTUM IN ANY NEGOTIATIONS ARISING OUT OF IMPLEMENTATION OF THE LISBON AGREEMENT. I EMPHASISED, HOWEVER, IN ACCORDANCE WITH YOUR INSTRUCTIONS THAT IT WOULD BE GOUNTER-PRODUCTIVE TO MAKE ANY LINKAGE BETWEEN SPANISH MEMBERSHIP OF NATO AND RECOVERY OF GIBRALTAR.

6. MORAN AGREED (UNLIKE SERRA). BUT HE SAID THAT SOME PEOPLE IN THE PARTY WERE SUGGESTING THAT THEY SHOULD TAKE THE LINE THAT SPAIN WOULD ONLY REMAIN IN NATO ON CONDITION THAT THERE WAS PROGRESS TOWARDS THE RECOVERY OF GIBRALTAR. THE GOVERNMENT WOULD BE UNDER PRESSURE FROM THE MILITARY AND FRAGA WHO WOULD BEAT THE NATIONALIST DRUM AT ANY SIGN OF WEAKNESS. THAT WAS WHY GENUINE NEGOTIATIONS WERE REQUIRED IN RETURN FOR THE OPENING OF THE FRONTIER. HE HIMSELF WAS AGAINST ANY OVERT LINKAGE BETWEEN SPANISH MEMBERSHIP OF NATO AND THE RESOLUTION OF THE GIBRALTAR PROBLEM. HE AGREED WITH ME THAT BOTH QUESTIONS NEEDED TO BE HANDLED IN THEIR OWN TIME SCALE. THE GIBRALTAR QUESTION COULD ONLY BE RESOLVED IN THE LONG TERM BY SPAIN BECOMING MORE ATTRACTIVE TO GIBRALTARIANS. ON NATO, HOWEVER, DECISIONS WOULD BE NEEDED EARLIER. THERE WAS, FOR EXAMPLE, A MEETING OF THE NORTH ATALNTIC COUNCIL ON 9/10 DECEMBER. PRESENT THINKING WAS THAT THE NEW SOCIALIST MINISTERS, IF APPOINTED BY THEN, WOULD ATTEND. BUT ATTENDANCE IN ITSELF WOULD POSE DIFFICULT PROBLEMS. THERE WOULD NO DOUBT BE A COMMUNIQUE AND THE QUESTION OF WHETHER A SOCIALIST FOREIGN MINISTER COULD SUBSCRIBE TO IT WOULD ARISE. THIS SITUATION WOULD NEED TO BE HANDLED WITH A GREAT DEAL OF TACT BY OTHER NATO GOVERNMENTS AND HE HOPED THAT THEY WOULD DO NOTHING TO EMBARRASS THE SPANISH GOVERNMENT ON THAT OCCASION. HE REFERRED TO THE PARALLEL WITH THE NEW GREEK GOVERNMENT LAST YEAR. I ASSURED HIM THAT THE UK AND OTHER NATO GOVERNMENTS WOULD BE ALIVE TO SPANISH SENSITIVITIES.

7. HE ALSO MENTIONED THAT THE OCCASION MIGHT PROVIDE THE OPPORUNITY FOR A BILATERAL MEETING BETWEEN YOU AND YOUR NEW SPANISH COUNTERPART WHICH MIGHT TOUCH ON GIBRALTAR. HE SUGGESTED THAT THEREAFTER A MEETING EARLY NEXT YEAR BETWEEN GONZALEZ AND THE PRIME MINISTER MIGHT BE ONE WAY OF GETTING THE LISBON PROCESS UNDERWAY. (THIS ECHOES SIMILAR REMARKS MADE BY ELENA FLORES TO US EARLIER THIS YEAR).

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8. ON THE NEW US BASES AGREEMENT, MORAN SAID THAT HE PREFERRED TO TALK OF THE NEED FOR ADJUSTMENTS RATHER THAN A RENEGOTIATION SO LONG AS SPAIN WAS NOT FULLY IN NATO, CONTINUATION OF THE AGREEMENT WOULD BE AN IMPORTANT CONTRIBUTION TO WESTERN DEFENCE. THEY HAD UNTIL MAY TO REACH A SOLUTION. OTHERWISE THE EXISTING AGREEMENT WOULD HAVE TO BE EXTENDED FOR A FURTHER YEAR. I POINTED OUT THE OBVIOUS ADVANTAGES OF A MULTILATERAL ALLIANCE.

PARSONS

LIMITED

SED

DEFENCE D

ECD (E)

PS

PS | MR HURD

PS | LORD BELSTEAD

PS | PUS

SIRT BULLARD

MR GOODISON

MR GILLMORE

ADDIMONAL DISTRIBUTION GIBRALTAR

THIS TELEGRAM
WAS NOT
ADVANCED

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FICE

10 DOWNING STREET

From the Private Secretary

22 November, 1982

Spain/Gibraltar

The Prime Minister has seen Madrid Telegram No. 599 reporting Sir Richard Parsons' conversation with Mr. Fernando Moran on the above subject. Mrs. Thatcher has noted in particular Moran's statement that the Socialist Government would require that any opening of the frontier with Gibraltar should be matched by negotiations "on all our differences" in the language of the Lisbon Agreement.

The Prime Minister will probably wish to discuss with the Foreign and Commonwealth Secretary at an early stage our approach to the Gibraltar problem in the light of what is known about the attitude of the new Government in Spain. Meanwhile, she would find it helpful to have Mr. Pym's advice on how we might deal with the question in the coming weeks.

A. J. COLES

B. Fall, Esq., Foreign and Commonwealth Office

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