

PS/10. DOWNING STREET.

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FM GIBRALTAR
TO RBDWDFA/FCO LONDON
INFO RBDWDFA/MADRID
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FM GIBRALTAR 240820Z MARCH

TO IMMEDIATE FCO TEL NO 30 OF 23 3 83

INFO IMMEDIATE MADRID

GIBRALTAR/SPAIN: LISBON AGREEMENT

CHIEF MINISTER IS MAKING A STATEMENT TO HOUSE OF ASSEMBLY THIS AFTERNOON.

FOLLOWING ARE HIGHLIGHTS.

2. HE BEGINS BY RETRACING THE STORY OF THE LISBON AGREEMENT AND THE OCCASIONS IN THE PAST WHEN IMPLEMENTATION HAS NOT OCCURRED AND ADDS ONCE AGAIN, ALTHOUGH BRITAIN CONTINUES TO BE ANXIOUS TO IMPLEMENT THE AGREEMENT, THERE HAS BEEN A POSTPONEMENT, AGAIN, IT SEEMS SINE DIE.

3. THE PURPOSES OF THE AGREEMENT TO BUILD UP FRIENDSHIP, UNDERSTANDING AND PRACTICAL COOPERATION ON A MUTUALLY BENEFICIAL BASIS HAS BEEN UNDERMINED BY THE DELAYS CAUSED BY THE SPANISH GOVERNMENT WHICH HAVE PRODUCED THE OPPOSITE EFFECT. THIS LATEST FAILURE... WILL EXACERBATE DISTRUST IN GIBRALTAR AND WILL ALIENATE OPINION FURTHER BOTH HERE AND IN THE BRITISH PARLIAMENT.

4. TURNING TO THE PARTIAL OPENING OF THE FRONTIER HASSAN SAYS THAT HIS GOVERNMENT HAD REFRAINED FROM TAKING ACTION TO CORRECT THE ADVERSE EFFECTS ON THE GIBRALTAR ECONOMY. FIRSTLY, IN ORDER TO STUDY THE SITUATION PROPERLY AND SECONDLY, BECAUSE OF THE PROSPECTS OF THE AGREEMENT BEING IMPLEMENTED. THERE NOW SEEMED LITTLE

PROSPECT OF THIS IN THE FORESEEABLE FUTURE - IF INDEED THE SPANISH GOVERNMENT INTENDS EVER TO IMPLEMENT IT. IT IS OUR VIEW,

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THEREFORE THAT THE PARTIAL OPENING OF THE FRONTIER MUST NOW BE APPROACHED STRICTLY ON THE TERMS IN WHICH IT WAS ANNOUNCED.

/BY

BY HUMANITARIAN HIS GOVERNMENT HAD UNDERSTOOD PRIMARILY THE OPPORTUNITY FOR RELATIVES ON THE TWO SIDES OF THE BORDER TO SEE EACH OTHER FREQUENTLY AND AT LESS INCONVENIENCE AND EXPENSES THAN BEFORE.

5. SPANISH PROTECTIONISM HAD TAKEN ABSURD FORMS AND IT WAS CLEAR THAT THE SPANISH GOVERNMENT DID NOT INTEND TO RESPECT THE INTERESTS OF THE GIBALTARIANS. HE NOW FELT FULLY ENTITLED TO TAKE SUCH STEPS AS MAY BE NECESSARY AND DESIRABLE TO PROTECT GIBALTARS ECONOMY IN THIS NEW SITUATION. HE WOULD BE HOLDING CONSULTATION WITH THE OPPOSITION, REPRESENTATIVE BODIES AND THE BRITISH GOVERNMENT.

6. HE WENT ON TO OUTLINE THE DAMAGE DONE TO THE ECONOMY BY PURCHASES IN SPAIN AND BY LEISURE EXPENDITURE THERE. WHILST GIBALTAR WAS A FREE SOCIETY HE HAD NO HESITAION IN SAYING THAT PEOPLE SHOULD CONSIDER VERY CARFULLY INDEED THE DAMAGING EFFECT ON OUR ECONOMY WHICH WILL RESULT FROM A CONTINUING HIGH LEVEL OF SPENDING IN SPAIN. HE HOPED THAT GIBALTARIANS WERE NOT PANZISTAS I.E. THOSE WHOSE MINDS WERE CENTRED ON THEIR STOMACHS. IT WAS SURELY WRONG THAT BUSINESSMEN SHOULD BE SPENDING THEIR LOCALLY MADE PROFITS AND EMPLOYEES THEIR UK PARITY WAGES IN SPAIN THEREBY UNDERMINING THE ECONOMY OF GIBALTAR AS A RESULT OF THE DISCRIMINATORY OPENING OF THE FRONTIER. I DO NOT BELIEVE THAT THE BRITISH GOVERNMENT WILL EVER RENEGE ON ITS COMMITMENTS, WRITTEN INTO OUR CONSTITUTION TO SUPPORT THE FREELY AND DEMOCRATICALLY EXPRESSED WISHES OF THE PEOPLE OF GIBALTAR, BUT I BELIEVE WE ARE IN DANGER OF LOSING A GREAT DEAL OF THE MASSIVE SUPPORT WE ENJOY IN BRITAIN IF IT WERE TO THOUGHT THERE THAT WE WANT BRITISH CITIZENSHIP, AND BRITISH POLITICAL PROTECTION WHILE, AT THE SAME TIME, A GOOD NUMBER OF OUR PEOPLE REGARD SPAIN AS THEIR PLAYGROUND OR AS A MEANS OF COMMERCIAL PROFIT PRIOR TO THE IMPLEMENTATION OF THE LISBON AGREEMENT.

7. HE DID NOT EXPECT THE SENTIMENTS TO BE UNIVERSALLY POLITICALLY POPULAR BUT IF THEY WERE NOT MAYBE THE SUGGESTION IN THE TIMES OF 19 MARCH FOR A REFERENDUM SHOULD BE ACCEPTED. BUT IT SHOULD BE AN HONEST ONE. IT SHOULD NOT BE A QUESTION OF MAINTAINING THE BRITISH LINK IN A POLITICAL AND CONSTITUTIONAL SENSE WHILST ESTABLISHING COMMERCIAL AND RECREATIONAL LINKS WITH SPAIN IN A DAMAGING MANNER FOR GIBALTARS ECONOMY

8. TEXT BY DAG
WILLIAMS

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