

ADVANCE COPIES: FALKLAND ISLANDS GENERAL (37)

PS/MR HURD
PS/MR ONSLOW
PS/PUS
MR BULLARD
SIR I SINCLAIR
MR GIFFARD
MR WRIGHT
MR ADAMS
LORD N G LENNOX
LORD BRIDGES
MR URE
MR GILLMORE
HD/PUSD
HD/S AM D
HD/DEF DEPT
HD/NEWS DEPT
HD/ERD
HD/ECD(E)
HD/URD
HD/PLANNING STAFF
MR ANTHONY WILLIAMS W60
EMERGENCY ROOM ✓
RESIDENT CLERK

PS/NO 10 DOWNING ST (2)
PS/S OF S FOR DEFENCE
MR J STEWART AUSD STAFF MOD
PS/CHANCELLOR)
MR ILETT) TREASURY
MR LITTLER)
SIR R ARMSTRONG)
SIR M PALLISER) CABINET
MR WADE-GERY) OFFICE
MR FULLER SAPU/DIO)
DIO)
RM 8 FOR MODUK C IN C FLEET

ADVANCE COPY

IMMEDIATE

[Passed to E.R.]

[Typists aa]

CONFIDENTIAL

FM MADRID 181510Z MAY 82
TO IMMEDIATE FCO

TELEGRAM NUMBER 281 OF 18 MAY
INFO PRIORITY GOVERNOR GIBRALTAR(PERSONAL) UKMIS NEW YORK
INFO UKDEL NATO UKREP BRUSSELS

MY TELNO 279: FALKLANDS AND GIBRALTAR

I HAD ANOTHER LONG TALK TODAY WITH THE SPANISH FOREIGN MINISTER.
THE IMPETUS FOR THESE FREQUENT CONTACTS COMES AT LEAST AS MUCH
FROM HIM AS FROM ME.

2. I EXPRESSED YOUR APPRECIATION FOR THE SPANISH GOVERNMENT'S
DECISION TO DENY ARMS TO ARGENTINA AND OTHER COUNTRIES
WHICH MIGHT PASS THEM ON (YOUR TELNO 159) . THIS PROMPTED
PEREZ-LLORCA TO TELL ME, ON A STRICTLY PERSONAL BASIS, THAT THE
SPANISH GOVERNMENT HAD RECEIVED INFORMATION ABOUT FLIGHTS BY DC8
CARRYING AVIATION MATERIAL FROM ISRAEL TO LIMA. HE DID NOT KNOW
WHETHER THIS INCLUDED MISSILES. AT LEAST ONE SUCH FLIGHT HAD
TAKEN PLACE VERY RECENTLY. THERE HAD BEEN NO (NO) OVERFLYING OF
SPAIN. I THANKED HIM AND PROMISED THAT HE WOULD BE PROTECTED
AS A SOURCE OF INFORMATION.

AS A SOURCE OF INFORMATION.

3. I EXPLAINED THE POSITION ON THE CURRENT NEGOTIATIONS IN THE UNITED NATIONS OVER THE FALKLANDS, AS SET OUT IN PARA 4 OF YOUR GUIDANCE TELEGRAM 99. I EMPHASISED YOUR CONSTRUCTIVE ATTITUDE IN BEING PREPARED TO CONTEMPLATE AN INTERIM ADMINISTRATION. PEREZ-LLORCA SAID THAT HE NATURALLY SHARED OUR HOPE FOR A PEACEFUL SETTLEMENT. FAILING THIS, HE DID NOT THINK SPANISH PUBLIC OPINION WOULD MAKE ALL THAT MUCH FUSS ABOUT A SWIFT, SHARP ACTION WHICH RESTORED THE ISLANDS TO BRITAIN WITH THE MINIMUM OF CASUALTIES. (PLEASE RESPECT THIS CALCULATED INDISCRETION). BUT HE THOUGHT THAT A FULL SCALE, BLOODY AND EXTENDED WAR WOULD CAUSE A LAND-SLIDE IN SPANISH PUBLIC OPINION, OF WHICH THE GOVERNMENT WOULD HAVE TO TAKE ACCOUNT. I EMPHASISED THE CURRENT NEED FOR ALL REPRESENTATIVES IN NEW YORK TO ASSIST THE SECRETARY GENERAL. THIS WAS A PARTICULAR OBLIGATION FOR THE MEMBERS OF THE SECURITY COUNCIL. I WANTED TO KEEP HIM CLOSELY INFORMED, SO THAT HE COULD EXERCISE PERSONAL CONTROL OVER THE SPANISH POSITION IN NEW YORK. HE WILL BE AWAY TOMORROW IN AACHEN WITH THE KING.

4. PEREZ-LLORCA TOLD ME THAT ARGENTINE, VENEZUELAN AND OTHER LATIN AMERICAN LOBBYISTS WERE NOW CONCENTRATING ON TWO PARTICULAR ALLEGATIONS. THE FIRST WAS THAT THE UNITED STATES FOR STRATEGIC REASONS HAD PRESSED HMG TO RETAIN SOVEREIGNTY OVER THE FALKLANDS. THE SECOND WAS THAT THE ARGENTINE INVASION HAD BECOME URGENT BECAUSE BRITISH MISSILES WOULD HAVE BEEN STATIONED ON THE ISLANDS TWO WEEKS LATER. I SAID I WAS SURE THERE WAS NOTHING IN EITHER OF THESE STORIES. BUT IT WAS USEFUL FOR US TO KNOW ABOUT THE OPPOSITION LINE.

5. PEREZ-LLORCA SAID HE WOULD BE IN BRUSSELS ON 24 MAY AND HOPED THERE MIGHT BE A CHANCE FOR A DISCREET TALK WITH YOU. IT WAS AN UNFORTUNATE TIME FOR HIM TO BE STARTING POLITICAL CONSULTATION WITH COMMUNITY FOREIGN MINISTERS. HE COULD HARDLY TELL THE SPANISH PRESS THAT THE QUESTION OF THE SOUTH ATLANTIC HAD NOT BEEN DISCUSSED AT ALL. BUT HE CERTAINLY DID NOT WANT A CONFRONTATION WITH YOU AND OTHER COMMUNITY MINISTERS ON THAT OCCASION. HE LIKED THE IDEA OF KEEPING IN TOUCH ABOUT COMMUNITY ENLARGEMENT AT OFFICIAL LEVEL (YOUR TELNO 157 TO WHICH I HAVE REPLIED SEPARATELY.)

6. I TAXED PEREZ-LLORCA WITH THE ALLEGED REMARKS ON GIBRALTAR BY THE SPANISH PRIME MINISTER (YOUR TELNO 160) REPORTED IN TODAY'S FINANCIAL TIMES. PEREZ-LLORCA SAID THIS WAS JUST ONE EXAMPLE OF THE WAY IN WHICH THE ARGENTINE INVASION OF THE FALKLANDS HAD INCREASED PUBLIC TENSION AND MISAPPREHENSION OVER BOTH GIBRALTAR TALKS AND SPANISH ENTRY INTO NATO. HE HAD SPOKEN ONLY THIS MORNING TO

SPANISH ENTRY INTO NATO. HE HAD SPOKEN ONLY THIS MORNING TO CALVO SOTELO. THEIR AGREED POSITION WAS QUITE CLEARLY THAT IMPLEMENTATION OF THE LISBON AGREEMENT SHOULD GO AHEAD ON JUNE 25, BARRING THE LAND-SLIDE MENTIONED IN PARAGRAPH 3 ABOVE. AT THE SAME TIME IT WOULD OBVIOUSLY HELP HIM WITH HIS COLLEAGUES TO GET SOME IDEA OF HOW YOU PERSONALLY VIEWED THE POSSIBLE OUTCOME ON JUNE 26. HE AGREED THAT IT WAS NOW MORE THAN EVER NECESSARY TO SHOW PUBLICLY THAT THE WAY TO SOLVE DISPUTES WAS THROUGH PEACEFUL NEGOTIATIONS.

7. FINALLY, PEREZ-LLORCA SUMMONED ORTEGA TO CONFIRM THAT THE WAY WAS NOW CLEAR ON THE SPANISH SIDE TO PROCEED WITH DIRECT EXCHANGES ABOUT TELEX COMMUNICATIONS WITH GIBRALTAR AND THE IMPROVEMENT OF THE TELEPHONE EXCHANGE.

PARSONS

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SENT 18/1608Z PJ