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DESKBY 070700Z

GRS 610

FM MADRID 062152Z SEP 83

TO IMMEDIATE FCO

TELEGRAM NUMBER 496 OF 6 SEPTEMBER
INFO PRIORITY GOVERNOR GIBRALTAR (PERSONAL)
INFO ROUTINE UKREP BRUSSELS, UKDEL NATO, UKMIS NEW YORK, BONN,
PARIS, WASHINGTON.

My

MIPT: SECRETARY OF STATE'S TALKS WITH SPANISH FOREIGN MINISTER:

SUMMARY

1. BOTH THE SECRETARY OF STATE AND MORAN GAVE A FRANK EXPOSITION OF THEIR VIEWS ON GIBRALTAR. MORAN REPEATED HIS CONCERNS ABOUT EQUALITY OF RIGHTS FOR SPANIARDS IN GIBRALTAR, AND ABOUT THE AIRPORT. HE ALSO PRESSED FOR FOLLOW-UP DISCUSSIONS ON THESE POINTS AT OFFICIAL LEVEL. IT WAS FINALLY AGREED THAT BOTH MINISTERS WOULD REFLECT AND MEET AGAIN IN NEW YORK AT THE END OF THE MONTH.

DETAIL

- 2. THE SECRETARY OF STATE SAID HE SAW THIS FIRST MEETING AS AN OPPORTUNITY FOR BOTH SIDES TO EXPLAIN THEIR THINKING ON GIBRALTAR. HE DID NOT ENVISAGE IT AS AN OCCASION FOR CONCRETE DECISIONS. HE REITERATED HMG'S VIEWS ON THE NEED TO IMPLEMENT THE LISBON AGREEMENT AND OUR COMMITMENT TO RESPECT THE WISHES OF THE PEOPLE OF GIBRALTAR.
- 3. MORAN SAID THAT SPAIN'S ULTIMATE OBJECTIVE MUST BE THE RECOVERY IN DUE COURSE THE TERRITORY OF GIBRALTAR. THIS WOULD BE PURSUED BY PEACEFUL MEANS THROUGH NEGOTIATIONS WITH BRITAIN, TAKING ACCOUNT OF THE WELFARE AND INTERESTS OF THE INHABITANTS. HE UNDERSTOOD BRITAIN'S POSITION AND HER COMMITMENT TO THE GIBRALTARIANS. THE SPANISH GOVERNMENT WANTED GOOD RELATIONS WITH BRITAIN. ONE OF THEIR FIRST ACTS HAD BEEN THE PEDESTRIAN OPENING. THIS HAD NOT BEEN CALCULATED TO HARM GIBRALTAR ECONOMICALLY, BUT TO START DISMANTLING THE CASTIELLA POLICY OF ISOLATION. THE LISBON AGREEMENT WAS IMPERFECT, ALTHOUGH HE WAS READY TO BASE HIMSELF ON IT. BUT IT NEEDED CLARIFICATION, PARTICULARLY AS REGARDS THE RIGHTS OF SPANIARDS IN GIBRALTAR. IT WAS POLITICALLY IMPOSSIBLE FOR A SPANISH GOVERNMENT OR A SPANISH FOREIGN MINISTER TO CEDE EVERYTHING WITHOUT OBTIAINING A POSITIVE BENEFIT IN RETURN.
 - 4. THE SECRETARY OF STATE EXPLAINED THAT THERE WERE ALSO POLITICAL CONSTRAINTS IN BRITAIN AND CONSIDERABLE WORRIES IN GIBRALTAR.

 PERHAPS ONE WAY FORWARD WOULD BE TO DEVELOP JOINTLY WAYS OF IMPROVING ECONOMIC PROSPECTS. BUT THIS COULD NOT BE ACHIEVED UNLESS RESTRICTIONS WERE LIFTED. SOME SPANISH CONCERNS EG. RIGHTS OF SPANIARDS IN GIBRALTAR, COULD BEST BE DEALT WITH IN THE EC CONTEXT, JUST AS SPAIN WOULD HAVE TO LIFT ITS OWN RESTRICTIONS IN THAT CONTEXT.

5. MORAN EXPRESSED SOME DOUBTS ABOUT THE EC LEGAL REQUIREMENT TO LIFT RESTRICTIONS. HE REPEATED HIS POLITICAL NEED FOR SOME KIND OF COUNTER CONCESSION. ON EQUALITY OF RIGHTS, THIS MIGHT BE A BRITISH DECLARATION OF AN INITIATIVE TO BE TAKEN BY THE GOVERNOR OF GIBRALTAR OR THE GIBRALTAR LEGISLATURE TO CHANGE LEGISLATION RESTRICTING THE RIGHTS OF SPANIARDS. ON THE AIRPORT, THE DIFFERENCE BETWEEN THE LONDON-GIBRALTAR AND THE LONDON-MALAGA TARIFF WAS SUCH THAT THERE WOULD BE A PUBLIC OUTCRY IF GIBRALTAR AIRPORT WERE OPENED FREELY TO TOURIST TRAFFIC. THERE WAS ALSO THE PROBLEM OF SOVEREIGNTY OVER THE ISTHMUS, BUT HE DID NOT WANT TO GO INTO SUCH CONTENTIOUS LEGAL ISSUES NOW.

6. THE SECRETARY OF STATE POINTED OUT THAT OUT VIEW OF THE LEGAL POSITION ON THE ISTHMUS WAS CONTRARY TO THAT OF SPAIN. HE POINTED TO THE SMALL SIZE OF GIBRALTAR AIRPORT AND THE FACT THAT FARES BETWEEN THE UK AND GIBRALTAR AND MALAGA WERE NOT DISSIMILAR. THE TWO AIRPORTS NEED NOT BE COMPETING. THEY COULD COMPLIMENT ONE ANOTHER TO GENERATE GREATER ECONOMIC ACTIVITY. AS REGARDS THE LIFTING OF RESTRICTIONS ON COMMUNICATIONS, THIS WAS NOT A PURELY BRITISH REQUIREMENT, BUT A COMMUNITY REQUIREMENT. EQUALITY OF RIGHTS FOR SPANIARDS COULD ONLY BE CONSIDERED IN THE CONTEXT OF THE TRANSITIONAL PERIOD.

7. MORAN THEN SUGGESTED THAT THESE QUESTIONS SHOULD BE LOOKED AT BY OFFICIALS IN PREPARATION FOR A FURTHER MEETING BETWEEN HIMSELF AND THE SECRETARY OF STATE AT THE UN LATER THIS MONTH. THE SECRETARY OF STATE AGREED TO A FURTHER MEETING IN NEW YORK, BUT SUGGESTED THAT IN THE MEANTIME BOTH SIDES REFLECT ON WHAT THE OTHER HAD SAID. THIS WAS AGREED. IT WAS ALSO AGREED THAT DELEGATIONS IN NEW YORK SHOULD MAKE THE APPROPRIATE ARRANGEMENTS.

8. THERE THEN FOLLOWED A BRIEF DISCUSSION ABOUT THE HANDLING
OF THE UN RESOLUTION ON GIBRALTAR. MORAN SAID THAT HE WAS PREPARED
TO PROCEED ON THE BASIS OF THE CONSENSUS ACHIEVED IN PREVIOUS
YEARS BUT WITH DELETION OF THE REFERENCE TO THE JANUARY 1982
EXCHANGE OF LETTERS WHICH WERE UNSATISFACTORY: THOSE WHO HAD
DEVISED THEM HAD BEEN ILL ADVISED. THE SECRETARY OF STATE AGREED
TO CONSIDER THIS AND TO TAKE IT UP FURTHER IN NEW YORK.

9. A PRESS LINE WAS AGREED AND HAS BEEN REPORTED SEPARATELY.

PARSONS

GIBRALTAR

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