CONFIDENTIAL PS/10. DOWNING STREET. FM MADRID 071704Z SEP 83 TO IMMEDIATE FCO TELEGRAM NUMBER 511 OF 7 SEPTEMBER INFO GOVERNOR GIBRALTAR (PERSONAL) RABAT

YOUR TALK WITH THE KING OF SPAIN ON 7 SEPTEMBER: GIBRALTAR

- 1. YOU HAD A SUBSTANTIAL TALK TODAY WITH THE KING. THE APPOINTMENT HAD BEEN ARRANGED BY THE SPANISH FOREIGN MINISTER WHOSE PRIVATE SECRETARY WAS ALSO PRESENT. THIS CLEARLY LIMITED THE KING'S CUSTOMARY FREEDOM OF SPEECH. NEVERTHELESS SOME USEFUL POINTS WERE ESTABLISHED.
- 2. AFTER SOME DISCUSSION ABOUT THE CSCE AND THE SHOOTING DOWN OF . THE KOREAN PLANE, THE TALK TURNED TO GIBRALTAR. YOU EXPRESSED APPRECIATION FOR THE KING'S PERSONAL INTEREST IN ENCOURAGING YOU TO COMBINE BILATERAL TALKS WITH THE SPANISH GOVERNMENT WITH YOUR VISIT TO MADRID FOR THE CSCE MEETING. YOU SAID THAT YOUR WORKING LUNCH WITH MORAN THE DAY BEFORE HAD BEEN CORDIAL AND USEFUL. YOU WOULD BE FOLLOWING THIS UP WITH A MEETING IN NEW YORK. IT WAS IMPORTANT TO RECOGNISE THAT THE SOVEREIGNTY ISSUE COULD ONLY BE SEEN IN VERY LONG PERSPECTIVE. MEANWHILE WE SHOULD CONCENTRATE ON BRINGING THE PEOPLE OF THE AREA TOGETHER AND DISMANTLING RESTRICTIONS. ONE USEFUL FIELD FOR MUTUAL COOPERATION MIGHT BE ECONOMIC DEVELOPMENT.
- 3. THE KING SAID THAT HE AGREED VERY MUCH WITH A GRADUAL APPROACH. HE ACCEPTED THAT THE OPINIONS OF THE POPULATION MUST BE RESPECTED. GIBRALTAR WAS AN EMOTIONAL ISSUE AND WE MUST BE SENSITIVE TOWARDS PUBLIC OPINION AND TO THE DEMANDS OF NATIONAL INTERESTS. BUT AT THE SAME TIME WE SHOULD TRY TO MANAGE PRACTICAL PROBLEMS. SUCH AS NAVAL VISITS, IN A MANNER CALCULATED TO AVOID DIFFICULTIES. WITH A BURST OF HIS USUAL FRANKNESS, THE KING ADDED IN ANY CASE IT WAS NOT TO THE ADVANTAGE OF SPAIN TO RECOVER GIBRALTAR IN THE NEAR FUTURE. IF SHE DID SO, KING HASSAN WOULD IMMEDIATELY REACTIVATE THE MOROCCAN CLAIM TO CEUTA AND MELILLA. 4. YOU SAID THAT THE PROSPECT OF SPANISH ACCESSION TO THE EUROPEAN COMMUNITY SHOULD BE USED TO MAKE THINGS EASIER OVER GIBRALTAR RATHER THAN THE OTHER WAY ROUND. WE SHOULD STUDY HOW THIS COULD BEST BE DONE. IN A MORE GENERAL MANNER YOU ALSO MENTIONED NATO BU T HE KING DID NOT RESPOND, PRESUMABLY KNOWING THAT ANY COMMENTS WOULD GO STRAIGHT BACK TO MORAN. PARSONS

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