



CONFIDENTIAL

Prime Minister

So long as they understand we are not rejecting sovereignty.

Do you agree with this approach?

A

Alternating would you like either an OD or a small Ministerial meeting?

PM/83/8

PRIME MINISTER

(v) - it is in many words nothing else

Gibraltar

We should discuss with A.S.C. 21/1

1. As you know, when I met the Spanish Foreign Minister in Brussels on 10 December we agreed to aim for a date in the spring for the implementation of the 1980 Lisbon Agreement. We also agreed that officials should meet first to make the necessary arrangements. I have now had a chance to discuss this further with the Ambassador at Madrid and the Governor of Gibraltar and would propose to proceed as follows.

2. The Lisbon Agreement (copy attached) provides for the lifting of all Spanish restrictions on Gibraltar and; at the same time, the start of 'negotiations aimed at overcoming all the differences' between the British and Spanish Governments on Gibraltar. Although the Spaniards opened the border to certain categories of pedestrians on 15 December, there is no prospect that they will lift all the remaining restrictions without full implementation of the Lisbon agreement and the start of the negotiations referred to in it.

3. The present partial opening of the border by Spain has been good for humanitarian reasons. There have been 150,000 crossings (roughly equal numbers both ways) without incident since it began: the total population of Gibraltar numbers only 30,000. These figures demonstrate the interest of the Gibraltarians in contacts with Spain. But only the full removal of restrictions will allow the Gibraltar economy to develop in a more healthy way and become less dependent on Britain for support. Furthermore, if restrictions were not fully lifted we should have to place obstacles in the way of Spain's integration into the military structure of NATO and we should face in the longer term the prospect of vetoing Spain's application to join the EC. In short, we have both

/political

CONFIDENTIAL



political and economic reasons for wanting the restrictions fully removed.

4. Against this background I believe that our objectives should be as follows:

(i) to secure the lifting of all restrictions on the border;

(ii) to encourage the establishment of more normal relations between Gibraltar and Spain in order to assist the Gibraltar economy and dissipate the present siege mentality;

(iii) to ensure the Spaniards understand that we shall maintain our commitment to honour the wishes of the Gibraltarians;

(iv) to persuade the Spaniards that:

(a) there is no prospect of an early substantive change in the status of Gibraltar;

(b) their approach to the Gibraltar question should concentrate on behaving well towards the Gibraltarians rather than coercing them; and

(c) any improvement of relations will take a long time and will be frustrated if the pace is forced.

(v) to obtain an outcome from implementation of the Lisbon Agreement which will not lead to adverse public reaction on either side (or in Gibraltar) such as would jeopardise these aims.

And - there may never be a change in sovereignty

???



5. When we meet in fulfilment of the Lisbon agreement the Spanish Foreign Minister will certainly wish to give his views on the future of Gibraltar. He is free to do so under the terms of the Lisbon Agreement. I shall have to take note. But I shall of course also reaffirm HMG's commitment to honour the wishes of the people of Gibraltar which is clearly stated in the Lisbon Agreement itself. I shall also explain the key role of Gibraltar opinion and emphasise that the Spaniards would be wrong to look forward to [early] changes in Gibraltarian views. The Gibraltar leaders, who will be present at the meeting, will also have an opportunity to put their own views. I shall suggest that, in deciding on a way forward, we should concentrate upon practical co-operation such as will reduce the barriers of mistrust between Spain and Gibraltar which have grown up over the years of restrictions. Amongst useful subjects for discussion will be cross-border economic development, tourism and communications.

Wia on

6. It will be necessary at the meeting to agree to some form of follow up. There are many practical issues to be dealt with. The Spaniards will also need to be able to show that we have embarked on a continuing process. I shall aim, if possible, to avoid a fixed timetable for further meetings and to concentrate on practical issues of mutual benefit rather than on political matters. But political issues, including the Spanish proposals on the future of the territory, cannot totally be avoided. There will be a need for further meetings at Foreign Minister level. I intend to ensure that Gibraltarian leaders are always present when the question of Gibraltar's future is discussed and that their officials will be present at other meetings on practical matters. This will afford a guarantee to both Gibraltarian and British opinion that the wishes of the Gibraltarians are being made known and considered at every stage.

/7. I propose



7. I propose to instruct our Ambassador on his return to Madrid to start discussions with the Spanish Foreign Minister and his officials to fix a date in March or early April for the full implementation of the Lisbon Agreement. In doing so he should also have preliminary discussions about the form of communique which will be issued after the meeting between myself and Senor Moran and the sort of follow-up arrangements which might be agreed at the meeting. In these discussions he would be guided by our attitude as outlined above. I intend to arm our Ambassador with a message to Senor Moran confirming that we remain committed to the implementation of the Lisbon Agreement in full and emphasising the importance we attach to it.

8. There remains a risk that, faced with our position on the status of Gibraltar and the need to start negotiations without any prospect of early change in Gibraltarian views, the Spaniards will be reluctant to fix a date for implementing the Lisbon Agreement. They might try to extract from us advance assurances about concessions on the status of Gibraltar. These we cannot give. All we can give them is the opportunity to say in public that they have made their views on this topic known to us. We need now to press for implementation of the Lisbon Agreement as it stands. It is better not to start at all than to risk misunderstanding. Our commitment to honour the wishes of the Gibraltarians must remain the keystone of our policy.

9. I am copying this minute to other members of OD.

(FRANCIS PYM)

Foreign and Commonwealth Office
21 January 1983

JOINT ANGLO/SPANISH STATEMENT ON GIBRALTAR

1. The British and Spanish Governments, desiring to strengthen their bilateral relations and thus to contribute to European and Western solidarity, intend, in accordance with the relevant UN resolutions, to resolve, in a spirit of friendship, the Gibraltar problem.
2. Both Governments have therefore agreed to start negotiations aimed at overcoming all the differences between them on Gibraltar.
3. Both Governments have reached agreement on the re-establishment of direct communications in the region. The Spanish Government has decided to suspend the application of the measures at present in force. Both Governments have agreed that future co-operation should be on the basis of reciprocity and full equality of rights. They look forward to the further steps which will be taken on both sides which they believe will open the way to closer understanding between those directly concerned in the area.
4. To this end both Governments will be prepared to consider any proposals which the other may wish to make, recognising the need to develop practical co-operation on a mutually beneficial basis.
5. The Spanish Government, in reaffirming its position on the re-establishment of the territorial integrity of Spain, restated its intention that, in the outcome of the negotiations, the interests of the Gibraltarians should be fully safeguarded. For its part the British Government will fully maintain its commitment to honour the freely and democratically expressed wishes of the people of Gibraltar as set out in the preamble to the Gibraltar constitution.
6. Officials on both sides will meet as soon as possible to prepare the necessary practical steps which will permit the implementation of the proposals agreed to above. It is envisaged that these preparations will be completed not later than 1 June.



B

10 DOWNING STREET

GIBRALTAR

From the Private Secretary

24 January 1983

GIBRALTAR

The Prime Minister has seen the minute of 21 January by the Foreign and Commonwealth Secretary.

Mrs. Thatcher would like the contents of the minute to be discussed at an early meeting of OD. At that meeting she would wish to review again our military dispositions for dealing with any Spanish threat to Gibraltar.

The Prime Minister has made one or two preliminary comments on Mr. Pym's minute. With regard to paragraph 4.(iv)(a) she is inclined to add the words "and there may never be a change in sovereignty".

With regard to paragraph 4.(v) the Prime Minister has expressed doubt about the meaning of the wording and will doubtless wish to seek clarification at the meeting of OD.

In the tenth line of paragraph 5. of Mr. Pym's minute, the Prime Minister is inclined to suggest the deletion of the word "early".

I am copying this letter to the Private Secretaries to the members of OD and also to Sir Robert Armstrong - I would be grateful if Sir Robert would make arrangements for this matter to be discussed at an early meeting of OD.

A.J. COLES

Brian Fall, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

059