



MINISTRY OF DEFENCE
 MAIN BUILDING WHITEHALL LONDON SW1
 Telephone 01-~~936~~7622 218 2111/3

MO 5/16

21st July 1982

Dear John,

GIBRALTAR: DEFENCE CAPABILITY

Thank you for your letter of 19th July.

The Prime Minister will wish to know that all of the Governor's requests in connection with the (un~~corroborated~~) warning from the Spanish Foreign Minister have been met. Specifically, the Intelligence personnel are now in Gibraltar; detachments of combat aircraft visit the Rock for 3 day periods approximately 4 to 5 times per month; and the Joint Theatre Plan reinforcements, which the Governor has specified as those he might require should the threat increase, are available if needed. Units equipped with the Light Gun and Blowpipe, the same equipments as those with which the Governor wishes to re-equip the Gibraltar Regiment, are included in these reinforcements.

As you know, the Gibraltar Regiment is distinct from the Garrison; it is a locally recruited part time force of some 240 men, similar to, but not part of the TA. It is already equipped with anti aircraft and field guns which, while ageing, remain effective. For some time - and well before the outbreak of the Falklands crisis - the Governor of Gibraltar has believed that the Gibraltar Regiment should be re-equipped with Light guns and the Blowpipe air defence system. Earlier requests to modernise and increase the artillery resources of the Regiment have been turned down taking into account the Regiment's capability, the assessed threat and other priorities for these equipments.

In May the Chiefs of Staff again considered the request for Light Gun and Blowpipe to be provided as a permanent enhancement of the Gibraltar Regiment capabilities and recommended to Ministers here that the long term threat still did not justify this. The Governor, when he visited the MOD on 14th July repeated his long term requirement to re-equip the Gibraltar Regiment and in view of current sensitivity it has been agreed that when he visits Gibraltar on 23rd-26th July the Chief of the General Staff should review once again with the Governor the artillery and air defence requirements of the Gibraltar Regiment.

A J Coles Esq

Prime Minister
 To note.
 A.J.C. 22/7



Any decisions resulting from these discussions would relate to Gibraltar's permanent capability and could be justified only by an increase in the assessed long term threat. As I wrote in my letter of 14th July, the Regular Forces in Gibraltar are already geared to meet the sort of threat referred to in current assessments and in recent telegrams relating to Lord Belstead's visit.

There are no other outstanding requests from the Governor for specific reinforcements which have not been met.

I am sending a copy of this letter to John Holmes (FCO) and to David Wright (Cabinet Office).

John Omand
(D B OMAND) *John Omand*

cc FCO
CO

HL

Gibraltar

23 July 1982

Gibraltar: Defence capability

The Prime Minister has noted the contents of your letter of 21 July.

I am copying this letter to John Holmes (Foreign and Commonwealth Office) and David Wright (Cabinet Office).

JOHN COLES

David Omand, Esq.,
Ministry of Defence.

DO

f105 SW



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10 DOWNING STREET

From the Private Secretary

19 July, 1982

Dear David,

Gibraltar: Defence Capability

Thank you for your letter of 14 July.

The Prime Minister noted the statement in your final paragraph that the Ministry of Defence are considering the re-equipment of the Gibraltar Regiment with light guns and Blowpipe. Mrs. Thatcher has asked how long this will take, adding that she hoped one week would suffice. I should be grateful for your comments.

B/F

The Prime Minister also saw over the weekend the section on Spain/Gibraltar in JIC (82) WSI28. While noting JIC's conclusion that no new immediate assessment of the threat to Gibraltar was required, she asked whether the Governor's latest requests have been met. In your letter under reference you stated that an RAF Signals Unit and four members of the Intelligence Corps were "to be flown" to Gibraltar. I should be grateful to know whether this flight has now taken place and whether there are any other outstanding requests from the Governor which have not yet been met.

B/F

I am copying this letter to Francis Richards (Foreign and Commonwealth Office) and to David Wright (Cabinet Office).

A. J. COLES

David Omand, Esq.,
Ministry of Defence

10



MINISTRY OF DEFENCE
 MAIN BUILDING WHITEHALL LONDON SW1
 Telephone 01-~~936 7022~~ 218 2111/3

MO 5/16

14th July 1982

Prime MinisterTo note this answer to your question.A.J.C. $\frac{15}{7}$

Dear John,

GIBRALTAR DEFENCE CAPABILITY

In your letter of today's date you asked about our ability to meet the sort of threat to Gibraltar which our Ambassador in Madrid has suggested might occur during the visit of Lord Belstead.

Background to the Visit

Madrid telegram number 395 is one of a number which have been exchanged between Madrid, Gibraltar and London following the calling in of our Ambassador to Spain by the Spanish Foreign Minister (Perez-Llorca) (Madrid Telno 392 of 7th July refers). There has also been a discussion on the telephone between Perez-Llorca and the Foreign and Commonwealth Secretary (FCO telno 237 of 8th July refers). Perez-Llorca expressed his personal concern at the proposed visit of Lord Belstead to Gibraltar from 21st-23rd July. He said he was "afraid" of the reaction of Spanish public opinion, particularly in the Campo area. Perez-Llorca pressed for a delay to the visit, or, at least, for an assurance that anything said in public would avoid political questions as far as possible and concentrate on the economic situation in Gibraltar as it was. He was told there was no question of changing the plans for the visit; such visits were a matter of routine. There was no intention of making the visit a high level political occasion although it must be accepted that political questions might be raised with Lord Belstead.

Intelligence

A meeting of the Current Intelligence Group (CIG) of the JIC was convened last Friday (9th) to discuss the situation. It did not produce a new assessment but took the view, in the absence of any collateral for Perez-Llorca's concern, that there were no grounds for changing the current threat assessment for Gibraltar. This acknowledges that there is a slight threat of unauthorised military action by forces in Southern Spain but considers that the Spanish Government would be unlikely to endorse such action after the event.

A J Coles Esq



We consider that it would be prudent, in the light of the particular concern expressed on this occasion by Perez-Llorca, to bolster the intelligence resources in Gibraltar, as requested by the Governor. A RAF Signals Unit and 4 members of the Intelligence Corps are therefore to be flown to Gibraltar.

A review of longer term intelligence required in Gibraltar is being urgently carried out by the JIC.

Our military posture

The current Gibraltar Garrison comprises an Infantry Battalion, together with Royal Engineers and Royal Artillery and other supporting arms - more than 1000 men in all. The Garrison is geared to meet the sort of unauthorised local action referred to in the current threat assessment. The Governor is of course fully aware of the situation and his forces are fully prepared. The answer to the question asked by the Prime Minister is therefore that we are ready to respond in the event of incidents of the kind referred to in Madrid telegram no 395.

It has been planned for some time that a number of visits will be made by RAF aircraft to Gibraltar in the remainder of July, August and September, and we are arranging for 2 Buccaneers to be there during Lord Belstead's visit.

As to reinforcement, should the threat assessment change, the Governor has said that his requirement would be for 1 Infantry Company, 1 Light Battery and 1 Blowpipe Troop. An Infantry Company is currently at 24 hours notice to deploy. The other reinforcement elements are currently at their normal 7 days notice but this could be reduced progressively if the situation seemed to warrant it.

For the longer term, consideration is being given in the MOD to re-equipping the Gibraltar Regiment with light guns and Blowpipe to improve the in-place defence capability.

I am sending a copy of this letter to John Holmes (FCO).

Yours ever,
 David Omand
 (D B OMAND)

How long
 will this
 take -
 I would?
 I hope no
 longer
 mt



4 JUL 1982





10 DOWNING STREET

From the Private Secretary

14 July 1982

SPANISH THREAT TO GIBRALTAR

As I told your Office last night, the Prime Minister read yesterday Madrid telegram no. 395 of 8 July which warned that there was an outside chance that the visit of Lord Belstead to Gibraltar could provoke pressure for a strike against Gibraltar by right wing and/or military elements in the area. The Prime Minister asked: "Are we ready should such an invasion occur?"

I should be grateful if you could let me have an answer to Mrs. Thatcher's question as soon as possible - ideally, I should like to let the Prime Minister have your assessment tonight.

I am sending a copy of this letter to John Holmes (Foreign and Commonwealth Office).

B L COLES

David Omand, Esq.,
Ministry of Defence.

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AMENDED DISTRIBUTION 14 JULY 1982

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CYPHER CAT A

PS. NO 10, DOWNING STREET.

FROM GIBRALTAR 131210Z JULY 82
TO PRIORITY MADRID TEL NO 18 OF 13 JULY 1982
INFO ROUTINE FCO

INCIDENT IN GIBRALTAR WATERS

1. PUBLICITY HAS BEEN GIVEN IN GIBRALTAR MEDIA TO AN INCIDENT INVOLVING THE GIBRALTAR POLICE MOTOR BOAT GULLOCH AND SPANISH FISHING BOAT ANITA ON 11 JULY. IT IS POSSIBLE THAT YOU MIGHT RECEIVE ENQUIRIES.

2. ANITA WAS SIGHTED AT 1545 HOURS VERY CLOSE TO GIBRALTAR SHORE AND HEADING TOWARDS THE 100 YARD MARKS PUT DOWN TO PREVENT BOATS MOVING INTO SWIMMING AREA. ANITA HAD FOUR ON BOARD AND THEY WERE SEEN TO BE DRINKING STEADILY FROM BEER BOTTLES. POLICE CRAFT APPROACHED ANITA OPPOSITE CHILDRENS SWIMMING POOL ABOUT 20 YARDS OFF-SHORE AND REQUESTED THEM TO MOVE OUTSIDE THE DEMARCATED AREA. THIS REQUEST WAS IGNORED. POLICE CRAFT POSITIONED ITSELF BETWEEN ANITA AND THE SEA SHORE WHILST CONTINUING TO PERSADE THEM TO MOVE. IN CARRYING OUT THIS MANOEUVRE THE SPANISH BOAT TURNED ACROSS THE BOWS OF THE POLICE CRAFT AND ITS STERN SLIGHTLY TOUCHED HE BOWS OF THE POLICE CRAFT. POLICE CRAFT FULLY REVERSED ENGINES AND NO DAMAGE WAS CAUSED TO EITHER BOAT BUT THREE MEMBERS OF THE ANITA CREW JUMPED INTO THE WATER. ON REGAINING THEIR BOAT ANITA CREW BECAME ABUSIVE AND OTHER SPANISH CRAFT WERE ATTRACTED AND BEGAN CIRCLING THE POLICE CRAFT SHOUTING THREATS AND HREATENING POLICE WITH OARS, ANCHORS AND FISHING GAFFS. AT THIS STAGE ANITA WAS SOME 70 YARDS FROM ASHORE. GIBRALTARIANS ON THE BEACH AND OTHERS WITH DINGHIES MOVED TOWARDS POLICE CRAFT TO RENDER ASSISTANCE. GULLOCH EVENTUALLY SUCCEEDED IN MOVING ANITA AND OTHERS AWAY FROM THE COASTAL AREA AND THEY LEFT TOWARDS SPANISH WATERS.

3. GIBRALTAR POLICE WILL BE ALERT ON 16 JULY FEAST OF THE BLESSING OF THE WATERS WHEN MANY SPANISH FISHERMEN CAN BE EXPECTED TO CELEBRATE BY TAKING THEIR FAMILIES AND OTHERS TO SEA. IN THE PAST THEY HAVE USUALLY SAILED AROUND GIBRALTAR FLYING THE SPANISH FLAG BUT THERE HAVE BEEN NO REPEAT NO UNPLEASANT INCIDENTS.

NEILSON

FCO PLEASE PASS

THIS TELEGRAM
WAS NOT
ADVANCED

LIMITED
SER
NEWS
MAED
PS
PS/KORI BELSTEAD

PS/PUS
SIR J. BULLARD
MR. GOODISON

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00 GIBRALTAR (PERSONAL)

00 MOD

GRS 250

S E C R E T

FM MADRID 121155Z JUL 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 403 OF 12 JULY

INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL), MOD D13 (W).

GIBRALTAR PERSONAL NO. 94 : GIBRALTAR / SPAIN

IMMEDIATE

Hd / SED

~~Ps / Lt. Hurd~~

Ps / Lt. Redstead

Sir J. Bullard

~~Mr Goodison~~

8

34

1. I AGREE WITH THE GOVERNOR'S COMMENTS ON SENTIMENT IN THE CAMPO. OUR ASSESSMENT IS ALSO THAT THE MAJORITY THERE FAVOUR LIFTING RESTRICTIONS. NOR IS A LARGE SCALE MILITARY ATTEMPT AGAINST GIBRALTAR VERY LIKELY, BOTH BECAUSE OF THE SPANISH GOVERNMENT'S ATTITUDE AND BECAUSE OF THE DISTANCE FROM THE MAJOR SPANISH COMMANDS IN SEVILLE AND CADIZ.
2. NEVERTHELESS, A MINOR DEMONSTRATION OR ISOLATED ACTION OF SOME SORT CANNOT BE RULED OUT. IT WOULD BE UNWISE TO DISREGARD PEREZ LLORCA'S WARNING ENTIRELY, DESPITE ITS VAGUENESS. TROUBLE COULD COME FROM CAMPO INHABITANTS WHO DO NOT SHARE THE SENTIMENT OF THE MAJORITY; OR FROM OUTSIDERS FROM ELSEWHERE IN SPAIN WHO HAVE EASY ACCESS TO THE CAMPO AREA AND TO GIBRALTAR THROUGH TANGIER. IN THIS RESPECT, YOU WILL HAVE NOTED THE MARCH PLANNED FOR 5-9 AUGUST BY GONZALO ARIAS, THE PACIFIST WHO HAS ORGANISED SIMILAR DEMONSTRATIONS IN THE PAST. POTENTIAL TROUBLEMAKERS COULD ALSO SEEK TO ABUSE THE SPANISH GOVERNMENT'S RELAXATION OF THE CRITERIA FOR FRONTIER OPENING ON HUMANITARIAN GROUNDS.
3. NOR MUST WE DISCOUNT THE POSSIBILITY OF SMALL AND IRRESPONSIBLE MILITARY UNITS ACTING ON THEIR OWN INITIATIVE. UNITS IN ALGECIRAS, SAN ROQUE AND TARIFA ARE WITHIN STRIKING DISTANCE OF GIBRALTAR.
4. THIS SAID, I THINK THE GOVERNOR HAS FOUND THE RIGHT BALANCE IN HIS TELNO PERSONAL 93, IN EMPHASISING THE NEED TO IMPROVE OUR INTELLIGENCE BASE RATHER THAN MAKE AN OVERT SHOW OF FORCE.

O 091535Z JUL 82
FM GIBRALTAR
TO RBDWDF/FCO LONDON
INFO ZEN/FOGIB
ZEN/TPS GIBRALTAR
RBTJXA/RAF GIBRALTAR
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CYPHER CAT A

FROM GIBRALTAR 091535Z JUL 82
TO IMMEDIATE FCO TELNO PERSONAL 95 OF 9 JUL 82

FOR SED, YOUR TELNO 236 OF 8 JULY AND MY PERSONAL 94 OF 9 JULY.

1. IN REVIEWING OUR ABILITY TO MEET THE POTENTIAL MILITARY THREAT I HAVE CONSIDERED THREE SITUATIONS:

A. CURRENT POSITION IN WHICH NO CLEAR THREAT HAS BEEN IDENTIFIED FOR WHICH I HAVE ONLY REQUESTED MOD (MY ACA/A2C 081910Z JUL) TO REPOSITION INTELLIGENCE GATHERING AGENCIES AS PROVIDED DURING FALKLAND CRISIS. ADDITIONALLY I INTEND TO RETAIN THE GUARDSHIP AND THE ADDITIONAL GUARD BOAT CREW.

B. IF LOCAL THREAT GENERATED IN THE CAMPO AREA IS IDENTIFIED IMMEDIATE REINFORCEMENTS SET OUT IN PARA 2 BELOW WOULD BE CALLED FOR.

C. IF MAJOR THREAT FROM DIVISION BASED IN SEVILLE OR FROM AMPHIBIOUS GROUP AT CADIZ IS IDENTIFIED, BALANCE OF JOINT THEATRE PLAN 52 INCLUDING HARRIERS WOULD BE REQUESTED.

2. IMMEDIATE REINFORCEMENTS TO COUNTER A LOCAL THREAT WOULD BE ONE EXTRA INFANTRY COMPANY, ONE BATTERY L

GHT GUNS, BLOWPIPE TROOP,
TWO SEA KING HELOS, AND DETACHMENT OF SUITABLE STRIKE AIRCRAFT AS PROVIDED FOR THE FALKLAND CRISIS. ARRIVAL OF THESE REINFORCEMENTS WOULD NOT REMAIN UNDETECTED FOR LONG. AT PRESENT WE HAVE NO OBVIOUS COVER LIKE THE FALKLANDS CRISIS OR ANY PUBLISHED EXERCISE FOR WHICH REINFORCEMENTS COULD BE SAID TO HAVE ARRIVED.

3. THE VULNERABILITY OF THE AIRFIELD SHOULD BE TAKEN FULLY INTO ACCOUNT IN THE TIMING OF ANY DECISION TO REINFORCE WITH THE BALANCE OF JTP 52.

4. SEPERATE SIGNAL HAS BEEN SENT TO MOD REF ACA/A2C 091540Z JUL SPELLING OUT DETAIL.

JACKSON

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PS/IPS
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CYPHER CAT A

FROM GIBRALTAR 091245Z JUL 82
TO IMMEDIATE FCO TEL NO PERSONAL 94 OF 9 JULY 1982
AND IMMEDIATE MADRID

YOUR TELNOS 236 AND 237 TO MADRID: GIBRALTAR/SPAIN

1. I SHALL BE TELEGRAPHING LATER TODAY WITH A FURTHER OUTLINE OF
MILITARY REQUIREMENTS.

2. MY READING OF THE MOOD IN THE CAMPO IS THAT THEY SEE THEIR
PROSPERITY AS RELATED TO GIBRALTAR AND WOULD BE READY FOR THE MOST
PART TO WELCOME LIFTING OF RESTRICTIONS WHATEVER THEIR VIEWS ON
THE SOVEREIGNTY ISSUE. AS SEEN FROM HERE THERE APPEARS TO BE NO
FOUNDATION FOR ADVENTURE MOUNTED ON CAMPO SENTIMENT. THE NEAREST
LOCATION WITH STRONGER MILITARY PRESENCE AND OFFICERS OF SUFFICIENT
INFLUENCE TO SUPPORT A MILITARY THREAT TO GIBRALTAR SEEMS TO BE
SEVILLE OR CADIZ.

3. THERE ARE SOME INDICATIONS OF A RELAXATION OF SPANISH CRITERIA
FOR FRONTIER OPENING ON HUMANITARIAN GROUNDS. FRONTIER OPENED
YESTERDAY TO PERMIT ONE COFFIN TO ENTER SPAIN AND ONE SPANIARD
TO VISIT AN AILING RELATIVE HERE. LATTER APPLICATION WOULD
PROBABLY NOT REPEAT NOT HAVE SUCCEEDED SOME TIME AGO. MAYOR OF LA
LINEA AND DEPUTY GOVERNOR OF CAMPO SEEM TO HAVE BEEN GIVEN
DISCRETION TO ACT SYMPETHETICALLY. CIVIL GUARDS AT THE FRONTIER
HAVE TOLD GIBRALTAR POLICE THAT THIS TEND MIGHT CONTINUE
PARTICULARLY IN CONNECTION WITH LA LINEA FAIR DUE TO OPEN 17 JULY.
SUCH RUMOURS ARE HOWEVER TRADITIONAL AS ANY FESTIVAL APPROACHES.

4. WHILST THESE SIGNS ARE ENCOURAGING I AM QUITE CLEAR THAT ANY
SYSTEM BASED ON QUOTE PERMISOS UNQUOTE WOULD BE VERY MUCH RESENTED
HHHERE. POPULAR FEELING TOWARDS SPAIN REMAINS BITTER. EVEN
UNRESTRICTED ACCESS AT THE MOMENT MIGHT GIVE RISE TO INCIDENTS
DUE TO THIS TENSION.

BT

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PS/PUS
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MR GOODISON

ADDITIONAL DISTN
GIBRALTAR

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GRS 810
CONFIDENTIAL
FM MADRID 081230Z JUL 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 396 OF 8 JULY
INFO GOVERNOR GIBRALTAR (PERSONAL)

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Prime Minister
We shall have to watch the situation
in Spain very carefully - especially because
of its implications for Gibraltar.

ms A.S.C. 9/7

MY TELEGRAM NO. 392 : GIBRALTAR AND SPANISH POLITICAL SCENE

1. THE SPANISH FOREIGN MINISTER'S REACTION MAY WELL SEEM EXAGGERATED. BUT IT SHOULD BE BORNE IN MIND THAT HE IS WORKING AGAINST AN INCREASINGLY UNCERTAIN POLITICAL BACKGROUND.
2. THE SPANISH GOVERNMENT, AND THEIR FOREIGN POLICY IN PARTICULAR, HAVE RECENTLY SUFFERED A SERIES OF REBUFFS AND HUMILIATIONS, LARGELY SELF-ENGENDERED. THEY NOW REALISE THAT THEIR HANDLING OF THE FALKLANDS CRISIS SECURED THE WORST OF BOTH WORLDS. MITTERRAND'S VISIT TORPEDOED WHAT LINGERING HOPES THEY MAY HAVE ENTERTAINED FOR COMPLETING THEIR EC NEGOTIATIONS IN TIME TO ENABLE THEM TO JOIN THE COMMUNITY IN 1984. THEY HAVE BEEN HUMILIATED BOTH BY THE CHICANERY ASSOCIATED WITH ORGANISING THE WORLD CUP AND THE MISERABLE PERFORMANCE OF THE HOME TEAM. INFLUENTIAL EDITORIALS HAVE SUGGESTED THAT THEY HAVE ONCE MORE TAKEN THE WRONG COURSE OVER GIBRALTAR, KNUCKLING UNDER TO OLD GUARD ELEMENTS OPPOSED TO THE SCRAPPING OF FRANCO'S POLICY ON FRONTIER RESTRICTIONS AND BACKING OFF NEGOTIATIONS THAT WOULD HAVE OFFERED THEM THE OPPORTUNITY OF ADVANCING THEIR CASE.
3. THESE DIFFICULTIES HAVE BEEN COMPOUNDED BY A DOMESTIC POLITICAL CRISIS WITHIN THE UCD WHICH GOES FROM BAD TO WORSE. THE PRIME MINISTER OFFERED TO STAND DOWN AS PARTY CHAIRMAN, ONLY TO SEE LANDALINO LAVILLA, SPEAKER OF THE LOWER HOUSE AND A MAN WITH A RESPECTABLE REPUTATION, PUBLICLY AIR HIS DOUBTS ABOUT ASSUMING THIS THANKLESS TASK. EFFORTS TO SYNTHESIZE THE POSITION OF THE UCD'S RIVAL FAMILIES CONTINUE TO FALL APART BEFORE THE INK OF DRAFT AGREEMENTS HAS DRIED. WE MAY HAVE THE REMARKABLE SPECTACLE OF THE PARTY OVERWHELMINGLY VICTORIOUS IN THE TWO ELECTION OF DEMOCRATIC SPAIN BREAKING UP WHILE STILL IN OFFICE. THE PRINCIPLE RIVAL FACTIONS (CHRISTIAN DEMOCRAT, SOCIAL DEMOCRAT, LIBERAL/CONSERVATIVE AND "RECONSTRUCTED" OLD GUARD) CONTINUE TO BE PRISED APART BY BOTH PERSONAL RIVALRIES AND BY THE IMPACT OF THE GOVERNMENT'S FOURTH SUCCESSIVE CRUSHING DEFEAT IN REGIONAL ELECTIONS IN ANDALUSIA LAST MAY. THERE IS NO CONSENSUS ON HOW THE PARTY IS TO SAVE ITS SKIN IN GENERAL ELECTIONS WHICH MUST BE HELD BEFORE MARCH 1983. ATTEMPTS TO RESURRECT ADOLFO SUAREZ, WHO MASTER-MINDED THE PARTY'S PREVIOUS VICTORIES AND WHOSE RESIGNATION IN JANUARY 1981 CLOSELY PRECEDED THE ABORTIVE MILITARY COUP A MONTH LATER, HAVE FOUNDERED ON OPPOSITION FROM CHRISTIAN DEMOCRATS AND OTHERS WHO MAY SEEK ELECTORAL SALVATION WITH MANUEL FRAGA'S RIGHT WING POPULAR ALLIANCE.

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4. THE IMPRESSION THUS GIVEN IS OF A POWER VACUUM AT THE CENTRE. IN THIS CLIMATE, RUMOURS OF RESTIVENESS AMONG THE ULTRA-RIGHT AND SUGGESTIONS OF A "GOVERNMENT OF MANAGEMENT" WITH MILITARY BACKING INEVITABLY ABOUND. IT HAS BEEN SUGGESTED THAT THE SOCIALIST LEADER FELIPE GONZALEZ' CALL FOR GENERAL ELECTIONS SOON WAS PARTLY MOTIVATED BY FEAR OF UNCONSTITUTIONAL ACTION BY RIGHT-WING CIVILIAN AND MILITARY ELEMENTS, DESIGNED TO PRE-EMPT A POSSIBLE SOCIALIST VICTORY IF ELECTIONS ARE HELD AROUND THEIR DUE DATE. BUT IN THE GIBRALTAR CONTEXT PEREZ LLORCA HAS HINTED TO ME THAT THE MILITARY ALREADY EXERCISE CONSIDERABLE INFLUENCE OVER GOVERNMENT POLICIES. RUMOURS POINTING TO EXPLICIT ACTION AGAINST THE DEMOCRATIC PROCESS BY ELEMENTS OF THE FAR RIGHT MAY BE UNDULY ALARMIST. BUT PEREZ LLORCA'S REPEATED REFERENCES TO HIS "FEAR" OF UNTOWARD REACTIONS HERE TO DEVELOPMENTS IN GIBRALTAR MAY WELL HAVE BEEN COLOURED BY A MORE FUNDAMENTAL ANXIETY ABOUT DEMOCRATIC PROSPECTS, AS WELL AS FEARS FOR HIS OWN POLITICAL SURVIVAL.

5. THE UCD'S PROSPECTS SHOULD BE CLARIFIED BY 13 OR 14 JULY WHEN THE POLITICAL COUNCIL WILL MEET TO ENDORSE ANY ARRANGEMENTS AGREED BY THE EXECUTIVE COMMITTEE NEXT WEEKEND. WITH PARLIAMENT NOT IN SESSION AND PUBLIC INTEREST CONCENTRATED ON HOLIDAYS FROM EARLY AUGUST ONWARDS, CALVO SOTELO SHOULD IN PRINCIPLE BE ABLE TO GOVERN THROUGH THE SUMMER UNTIL NEXT AUTUMN WHEN HE SEEMS INCREASINGLY LIKELY TO CALL GENERAL ELECTIONS. BUT WE CANNOT RULE OUT THAT IF THE UCD CRUMBLES UNDER HIS FEET, HE MAY THROW IN THE TOWEL STRAIGHT AWAY. A PUBLIC SPEECH LAST NIGHT PROCLAIMING HIS BELIEF THAT A CENTRE PARTY WAS NECESSARY FOR DEMOCRATIC STABILITY IN SPAIN, AND HIS FAITH IN THE UCD'S CONTINUING ABILITY TO FILL THE BILL, SUGGESTS THAT HE IS NOT PREPARING TO DO SO IMMEDIATELY. BUT THE SITUATION REMAINS FLUID AND UNPREDICTABLE. WHILE THE DOMESTIC POLITICAL CRISIS REMAINS UNRESOLVED, ALMOST ANYTHING COULD HAPPEN.

PARSONS

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M.O.D. - P.O.

Are we READY
Should such an
incident occur?
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GRS 270

S E C R E T

FM MADRID 081150Z JUL 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 395 OF 8 JULY

INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)

MY TELEGRAM NO. 393 : LORD BELSTEAD'S VISIT TO GIBRALTAR

ON THE ASSUMPTION THAT A MINISTERIAL VISIT TO GIBRALTAR GOES AHEAD THIS SUMMER, WE MUST TAKE LITERALLY WHAT THE SPANISH FOREIGN MINISTER HAS SAID TO ME ABOUT HIS FEAR OF THE REACTION OF SPANISH PUBLIC OPINION, PARTICULARLY IN THE CAMPO AREA. AS WE ARE REPORTING SEPARATELY BY TELEGRAM TODAY, THE POLITICAL SITUATION IN SPAIN HAS DETERIORATED CONSIDERABLY IN RECENT DAYS. THE POSITION IN THE GOVERNMENT'S RULING PARTY (UCD) IS ALMOST TOTALLY FLUID. THE POSITION MAY BE APPROACHING THE APPEARANCE OF A POWER VACUUM AS IN EARLY 1981, WHICH PRECIPITATED THE ATTEMPTED COUP ON 23 FEBRUARY.

2. IN THESE CIRCUMSTANCES THERE IS THUS AN OUTSIDE CHANCE THAT THE MINISTERIAL VISIT, WHICH IS REFERRED TO BRIEFLY IN TODAY'S SPANISH PRESS, COULD PROVOKE PRESSURE FOR A STRIKE AGAINST GIBRALTAR BY RIGHT-WING AND/OR MILITARY ELEMENTS IN THE AREA. I AM CONFIDENT THAT CALVO SOTELO AND PEREZ LLORCA, SO LONG AS THEY REMAIN IN POWER, WOULD DO THEIR LEVEL BEST TO PREVENT THIS. BUT, AS THE FOREIGN MINISTER WARNED ME AT THE TIME OF THE FALKLAND CRISIS, THE GOVERNMENT MIGHT LACK THE POWER TO RESTRAIN HOT-HEADS.

3. I DO NOT (NOT) PRESENT THIS CONSIDERATION AS AN ARGUMENT AGAINST A MINISTERIAL VISIT TO GIBRALTAR. BUT IT MUST BE SEEN AS A SERIOUS POLITICAL WARNING. YOU AND THE GOVERNOR WILL WISH TO CONSIDER HOW BEST TO STRIKE THE BALANCE BETWEEN APPROPRIATE SECURITY MEASURES AND OVERT PROTECTIVE STEPS WHICH COULD TRIGGER THE VERY THREAT THEY WERE DESIGNED TO COUNTER.

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GIBRALTAR

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CONFIDENTIAL

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GRS 360

CONFIDENTIAL

FM FCO 081800Z JUL 82

TO IMMEDIATE MADRID

TELEGRAM NUMBER 237 OF 8 JULY

INFO IMMEDIATE GIBRALTAR

YOUR TELNO 393:TELEPHONE CONVERSATION WITH SPANISH FOREIGN MINISTER.

1. I TELEPHONED PEREZ-LLORCA TODAY. THE FOLLOWING IS A RECORD OF OUR CONVERSATION.

2. PEREZ-LLORCA SAID THAT HE HAD SUGGESTED A PHONE CALL NOT BECAUSE THE MATTER WAS FORMALLY ONE UNDER DISCUSSION BETWEEN US - BUT TO EMPHASISE AS A FRIEND AND AN ALLY THAT HE WAS DOING EVERYTHING HE COULD TO KEEP THE TEMPERATURE DOWN. AS WE WOULD KNOW FROM HIS CONVERSATIONS WITH YOU, HE WAS AFRAID THAT THE VISIT MIGHT AROUSE FEELINGS IN SPAIN AND HE WONDERED IF IT COULD BE POSTPONED UNTIL AUGUST WHEN THE SITUATION WOULD BE CALMER ('AND PUBLIC OPINION MORE ABSENT'). FAILING THAT, HE HOPED THAT THE VISIT, AND IN PARTICULAR ANYTHING SAID IN PUBLIC, WOULD AVOID POLITICAL QUESTIONS AS FAR AS POSSIBLE AND CONCENTRATE ON THE SITUATION IN GIBRALTAR AS IT WAS.

3. I REPLIED THAT I TOO WANTED TO KEEP THE TEMPERATURE DOWN, BUT TO CHANGE OUR PLANS NOW WOULD BE TO DO QUITE THE OPPOSITE. MINISTERIAL VISITS TO GIBRALTAR WERE A MATTER OF ROUTINE, AND ONE AT PRESENT WOULD BE HELPFUL IN MAINTAINING GIBPALTARIAN OPINION ON AN EVEN KEEL IN THE LIGHT OF THEIR NATURAL ANXIETY OVER THE ECONOMIC CONSEQUENCES OF THE FAILURE TO GO AHEAD WITH THE SINTRA MEETING. LORD BELSTEAD WOULD OF COURSE MAKE CLEAR OUR JOINT COMMITMENT TO KEEP THE LISBON PROCESS ALIVE. HE WOULD NOT BE LOOKING TO RAISE POLITICAL QUESTIONS THOUGH WE MUST RECOGNISE THAT THEY MIGHT BE RAISED WITH HIM. WE EXPECTED THAT THE GIBRALTARIANS WOULD WANT TO TALK ABOUT ECONOMIC MATTERS AND WE WERE CERTAINLY NOT LOOKING ON THE VISIT AS AN OCCASION FOR HIGH-PROFILE POLITICS.

4. PEREZ-LLORCA TOOK ALL THIS QUITE WELL AND REPORTED HIS

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CONCERN THAT THERE SHOULD BE A MINIMUM OF POLITICS AND THAT EVERYTHING BE KEPT AS QUIET AS POSSIBLE. HE ADDED THAT HE HAD GIVEN INSTRUCTIONS FOR A RELAXATION OF THE BORDER REGIME AND TALKED OF MOVING STEP BY STEP AND DOING MORE IN SEPTEMBER. I SAID THAT WE WELCOMED MEASURES TO ALLEVIATE THE RESTRICTIONS.

5. IN CONCLUSION, PEREZ-LLORCA SAID THAT HE THOUGHT IT IMPORTANT THAT THE TWO MINISTERS SHOULD MAINTAIN COMMUNICATIONS AND I AGREED.

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TO IMMEDIATE FCO TEL NO PERSONAL 93 OF 08 JULY

INFO IMMEDIATE MADRID

MADRID TELNO 395 AND TELECON NEILSON/WILSON

1. MY VIEWS ON THE EFFECT OF A CANCELLATION OF THE VISIT REMAIN AS SET OUT IN MY TELNO PERSONAL 91. A SIGNIFICANT POSTPONEMENT AT SPANISH BEHEST WOULD BE LIKELY TO HAVE A SIMILAR EFFECT.

2. I HAVE HOWEVER JUDGED IT PRUDENT TO PAY ATTENTION TO PEREZ-LLORCAS WARNING IN VIEW OF THE ACCURATE INFORMATION WHICH HE PASSED US EARLIER ABOUT THE THREAT FROM ARGENTINE ELEMENTS IN SPAIN. I RECOGNISE THE NEED TO MAKE ANY MILITARY PREPARATIONS IN AS COVERT A MANNER AS POSSIBLE IN ORDER TO AVOID THE RISK OF PRECIPITATING THE ACTION WE SEEK TO AVOID. I HAVE ACCORDINGLY BRIEFED MY SERVICE COMMANDERS AND WILL BE REPORTING IMMEDIATE REQUIREMENTS ON MOD CHANNELS. FIRST STEP WILL BE TO RE-ESTABLISH MY INTELLIGENCE BASE. UNFORTUNATELY EXCEPTIONAL MEASURES TAKEN IN THIS RESPECT AND ON REINFORCEMENTS RELATED TO ARGENTINE CRISIS HAVE JUST BEEN STEPPED DOWN AND CARE WILL NEED TO BE TAKEN IN REINSTITUTING THEM.

3. WE ARE NOT REPEAT NOT AS YET AWARE OF ANY RUMBLINGS IN THE CAMPO AREA WHICH FOR THE MOMENT APPEARS TO BE THAT SECTION OF SPAIN MOST SYMPATHETIC TO THE ESTABLISHMENT OF FRIENDLY RELATIONS WITH GIBRALTAR.

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TELEGRAM NUMBER 393 OF 8 JULY
INFO IMMEDIATE GOVERNOR GIBRALTAR (PERSONAL)

MY TELEGRAM NO. 392 : LORD BELSTEAD'S VISIT TO GIBRALTAR

THE FOREIGN MINISTER TELEPHONED AGAIN LATE LAST NIGHT TO EMPHASISE HIS ANXIETY TO RECEIVE THE PLANNED TELEPHONE CALL FROM YOU THIS MORNING. HE SAID HE WOULD CONCENTRATE WITH YOU ON THE TWO FOLLOWING POINTS :

A) AN APPEAL THAT ANY VISIT SHOULD BE HANDLED WITH THE GREATEST POSSIBLE PRUDENCE AND DISCRETION TO AVOID NEW POLITICAL COMMITMENTS. THESE MIGHT OBLIGE THE SPANISH GOVERNMENT TO COME OUT WITH COUNTER DECLARATIONS, CONTRARY TO THE POLICY OF TRYING TO PLAY DOWN THINGS.

B) A REQUEST THAT THE VISIT SHOULD BE POSTPONED INTO THE POLITICALLY DEAD SEASON OF AUGUST.

2. IT WOULD THUS SEEM THAT HE HAS ACCEPTED THAT THERE CAN BE NO SERIOUS POSSIBILITY OF CANCELLATION AT THIS STAGE.

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