



PM/84/186

PRIME MINISTER

Sr Fraga

1. I have seen the copy of Stephen Sherbourne's letter of 9 November to Scott Hamilton, reporting your views about the possibility of Sr Fraga calling on you at some stage.
2. ~~I share your view that it would be best to move in stages,~~ and that in the context of a closer relationship between the Alianza Popular and the EDG, there are advantages in Sr Fraga calling first on the Chairman of the Party. I believe that a call by Sr Fraga on you should be delayed for as long as possible and certainly until well after the Gibraltar agreement has been implemented. When a call takes place, I think he should be seen in his capacity as party leader, with the arrangements being handled on the Party net.
3. Although you received Sr Gonzales when he was leader of the opposition in March 1981, this closely followed the 23 February coup attempt in Spain, when the Spanish Congress was held at gunpoint by Colonel Tejero. It provided an early opportunity for us to reinforce HMG's support for the democratic process in Spain. Fraga would be calling in very different circumstances, and I see no equivalent bilateral advantage in receiving him soon. Alianza Popular takes a harder, more nationalistic, line over Gibraltar than the present Spanish Government. Sr Fraga is likely to make considerable political capital out of a meeting with you, to the irritation of Sr Gonzales, who is known to appreciate that the Gibraltar dispute makes it difficult for a Prime Ministerial visit. Any call by Fraga would be widely reported in Spain, particularly as the London correspondent of 'El Pais' (the most widely read serious newspaper) is a close associate of his and a former Vice-President of the Alianza Popular with responsibility for media affairs.

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4. The degree of offence which might be taken by Sr Fraga if you do not see him at an early stage will much depend on how clear a commitment has already been made to him about such a meeting. But it is clear that he stands to boost his own domestic political image by meeting you, and accordingly is unlikely to allow any irritation to show. Thus, if at all possible, you should aim to meet Sr Gonzalez first. This would be possible once the restrictions on Gibraltar are lifted, which we expect to occur by mid-February, and would be most welcome to the Spanish Government. But if a meeting with Sr Gonzalez seems too distant a prospect, I would recommend that you should aim to see Sr Fraga in the context of a party meeting, perhaps under EDU auspices.

5. Notwithstanding the above, I accept Henry Plumb's view that the Alianza Popular could be a useful ally for the EDG in the European Parliament, and that a strengthening of the links with them is desirable. The Alianza Popular provide the major opposition to the Socialist Party in Spain and are likely to have a significant number of MEPs. But at this stage it does not seem necessary to make any irreversible commitments to a merger. We could review the situation again in the second half of next year after implementation of the Gibraltar agreement, and when arrangements on Accession are clearer.

6. I am copying this minute to John Selwyn Gummer.

A handwritten signature in black ink, appearing to be 'G. Howe', written in a cursive style.

(GEOFFREY HOWE)

Foreign and Commonwealth Office

12 December 1984

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