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TO IMMEDIATE FCO

TELEGRAM NUMBER 241 OF 23 MARCH 1983

INFO ROUTINE UKREP BRUSSELS, BONN, WASHINGTON AND BANGKOK (FOR S OF S'S PARTY)

INFO SAVING ATHENS, BRUSSELS, COPENHAGEN, DUBLIN, THE HAGUE, LUXEMBOURG ROME, UKDEL STRASBOURG AND CONSUL GENERALS FRANCE.

NEW FRENCH GOVERNMENT

SUMMARY

1. THE ELYSEE SPOKESMAN ANNOUNCED AT 1900 YESTERDAY EVENING THAT MAUROY HAD PRESENTED THE RESIGNATION OF HIS GOVERNMENT. MITTERRAND IMMEDIATELY ASKED MAUROY TO FORM A NEW GOVERNMENT. A 14(FOURTEEN) STRONG '' INNER CABINET'' WAS ANNOUNCED SHORTLY BEFORE MIDNIGHT.

2. DETAIL

THE NEW MINISTERIAL APPOINTMENTS IN THE ORDER ANNOUNCED BY THE ELYSEE ARE AS FOLLOWS:

DELORS ECONOMY, FINANCE AND THE BUDGET.

BEREGOVOY SOCIAL AFFAIRS AND SOLIDARITY.

DEFFERRE INTERIOR AND DECENTRALISATION

FITERMAN TRANSPORT

BADINTER JUSTICE

CHEYSSON EXTERNAL RELATIONS

HERNU DEFENCE

ROCARD AGRICULTURE

FABIUS INDUSTRY AND RESEARCH

I SAVARY NATIONAL EDUCATION

CRESSON EXTERNAL TRADE AND TOURISM

QUILLIOT URBAN AFFAIRS AND HOUSING

CREPEAU TRADE AND CRAFT INDUSTRY

RIGOUT PROFESSIONAL TRAINING

ALL THE ABOVE WILL HAVE THE RANK OF MINISTER. THE FIVE POSTS OF MINISTER OF STATE HAVE BEEN ABOLISHED. MAX GALLO (SOCIALIST DEPUTY FOR NICE) HAS BEEN APPOINTED GOVERNMENT SPOKESMAN WITH THE RANK OF STATE SECRETARY (IE JUNIOR MINISTER). THE ELYSEE SAID THAT OTHER JUNIOR MINISTERIAL APPOINTMENTS WOULD BE MADE LATER.

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- 3. MITTERRAND'S DECISION TO REAPPOINT MAUROY TO LEAD THE NEW GOVERNMENT FLOWS FROM THE LEFT'S BETTER THAN EXPECTED SHOWING IN THE SECOND ROUND OF THE MUNICIPAL ELECTIONS AND FROM THE AGREEMENT ON A REALIGNMENT OF EMS PARITIES. FRENCH SUCESS IN PERSUADING THE GERMENS TO REVALUE BY A WIDER MARGIN THAN THE FRANC HAS BEEN DEVALUED APPEARS TO HAVE REMOVED DOUBTS ABOUT MAUROY'S REMAINING PRIME MINISTER. MITTERRAND PRESUMABLY CONCLUDED THAT MAUROY WAS THE BEST MAN TO SELL TOUGHER ECONOMIC MEASURES DUE TO BE ANNOUNCED AT TODAY'S COUNCIL OF MINISTERS TO A DISTRUSTFUL LEFT, NOTABLY THE COMMUNISTS. BUT AFTER THE DEVELOPMENTS OF RECENT DAYS, DURING WHICH MAUROY APPEARED TO BE LEFT ON THE SIDELINES, HE WILL NOT FIND IT EASY TO RE-ESTABLISH HOS AUTHORITY AS PRIME MINISTER.
- 4. MAUROY HAS BEEN GRANTED HIS LONGSTANDING WISH TO LEAD A LEANER LEANER TEAM. THE SUPRISE IS THE DEPARTURE OF ALL REPRESENTATIVES OF THE LEFT-WING CERES FACTION INCLUDING ITS LEADER, CHEVENEMENT. THE LATTER, WHO WAS KNOWN TO OPPOSE FRANCE REMAING IN THE EMS, HAS ISSUED A STATEMENT SAYING THAT HE HAD SUBMITTED HIS RESIGNATION ON 2 FEBRUARY FOLLOWING DIS-AGREEMENTS OVER THE GOVERNMENT'S METHODS AND THE CONCEPTION OF ITS ACTIONS.
- TWO COMMUNISTS (FITERMEN AND RIGOUT) REMAIN, TOGETHER WITH ONE LEFT RADICAL (CREPEAU). THE DELAY IN ANNOUNCING THE NEW GOVERNMENT APPEARS TO HAVE BEEN THE RESULT OF COMMUNIST HESITATIONS OVER THE ROLE ALLOCATED TO THEIR PARTY. MARCHAIS (SECRETARY GENERAL OF THE PCF) AND FITERMAN SPENT NEARLY AN HOUR WITH MAUROY BEFORE THE ANNOUNCEMENT WAS FINALLY MADE.
- 6. FURTHER COMMENT WILL FOLLOW WHEN THE FULL LIST OF NEW APPOINTMENTS IS KNOWN.

 FCO PLEASE PASS SAVINGS ALL EXCEPT TO CONSULS GENERAL FRANCE FRETWELL

[REPEATED AS REQUESTED]

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