GRS 410 CONFIDENTIAL

CONFIDENTIAL

Read in Gull

FM MADRID 101324Z SEPT 80 TO IMMEDIATE F C O TELEGRAM NUMBER 319 OF 10 SEPTEMBER 1980 INFO PRIORITY GIBRALTAR (PERSONAL)

INFO ROUTINE LISBON, PARIS, UKREP BRUSSELS, UKDEL NATO, BONN

MOSCOW AND WASHINGTON

MIPT : NEW SPANISH GOVERNMENT

MIFT COVERS IMPLICATIONS FOR BILATERAL RELATIONS.

- 2. THE NEW SPANISH GOVERNMENT ANNOUNCED ON 8 SEPTEMBER, THE SIXTH OF ADOLFO SUAREZ' FOUR YEARS AS PRIME MINISTER, IS STRONGER AND MORE COHERENT THAN ITS PREDECESSOR. ITS CONSTITUTION, WHICH ENDS MONTHS OF UNCERTAINTY, WAS UNUSUALLY DIFFICULT, SINCE ROOM HAD TO BE FOUND FOR THE MAJOR UCD POLITICIANS EXCLUDED FROM THE LAST TWO GOVERNMENTS, WHOSE MANCEUVRINGS HAVE BEEN A MAJOR CAUSE OF SUAREZ' LOSS OF PUBLIC CREDIBILITY. THE NEW TEAM SHOULD HELP TO RESTORE PARTY UNITY : IT BRINGS IN OR PROMOTES POLITICAL HEAVY-WEIGHTS REPRESENTING ALL THE MAJOR CURRENTS IN THE UCD (EXCEPT THE LIBERALS WHO HAVE APPARENTLY EXPIRED WITH THE DEATH OF JOAQUIN GARRIGUES). IN MOST CASES THEIR POLITICAL CREDENTIALS ARE RE-INFORCED BY THEIR PROFESSIONAL COMPETENCE AND PREVIOUS EXPERIENCE. THE REGIONAL MIX IS SHREWD. THE POLITICAL BALANCE ALSO IS FAIRLY EVENLY SPREAD BETWEEN THE SOCIAL DEMOCRAT AND CHRISTIAN DEMOCRAT ELEMENTS IN THE PARTY. SUGGESTIONS OF A SHIFT TO THE LEFT ARE ILL-FOUNDED.
 - 3. AT THE SAME TIME SUAREZ HAS STRENGTHENED HIS PARLIAMENTARY SUPPORT WITH NEW VOTING ARRANGEMENTS LABORIOUSLY NEGOTIATED WITH THE CATALAN NATIONALISTS. THIS, AND A POSSIBLE NEW UNDERSTANDING WITH FRAGA'S RIGHTWING DEMOCRATIC COALITION, WILL BE PUT TO THE TEST IN A PARLIAMENTARY DEBATE NEXT WEEK WHICH MAY WELL INVOLVE A VOTE OF CONFIDENCE.
 - 4. AS IN THE EARLIER RESHUFFLE THIS YEAR (MADRID TELNO 148) THE CHANGE IS MORE OF PERSONALITIES THAN OF POLICY. THE NEW GOVERNMENT'S PROGRAMME IS UNLIKELY TO CONTAIN MAJOR CHANGES, THOUGH SUAREZ IS MOST VULNERABLE ON HIS ECONOMIC PERFORMANCE. THE EXPERIENCE OF CALVO SOTELO, VICE-PRESIDENT FOR ECONOMIC AFFAIRS, IN BOTH PRIVATE AND PUBLIC SECTORS, TOGETHER WITH HIS GOOD STANDING IN THE BANKING WORLD, MAY HELP THE GOVERNMENT TO MANAGE THE ECONOMY BETTER AND HENCE REVIVE THE CONFIDENCE OF INVESTORS. NO CHANGES ON NATO OR EUROPE ARE ANTICIPATED. ON GIBRALTAR SEE MIFT.

CONFIDENTIAL

/5. THE

CONFIDENTIAL 5. THE NEW GOVERNMENT FACES FORBIDDING PROBLEMS, NOTABLY TERRORISM AS WELL AS ECONOMIC STAGNATION WITH HIGH AND RISING UNEMPLOYMENT AND UNRESOLVED REGIONAL ISSUES, SUAREZ WILL NOW HAVE MORE TIME TO ADDRESS THESE. BUT IT WILL NEED ALL THE UNDOUBTED TALENTS OF THE NEW TEAM TO RESTORE CONFIDENCE AND A SENSE OF PURPOSE INSIDE AND OUTSIDE PARLIAMENT. IT CERTAINLY LOOKS LIKE A GOVERNENT WITH WHICH WE CAN DO BUSINESS. PARSONS STANDARD [COPIES SENT TO NO 10 DOWNING ST.] SED ECD NEWS D OID IPD PUSD CABINET OFFICE -2-CONFIDENTIAL

GRS 290 UNCLASSIFIED FM MADRID 101106Z SEPT 80 TO IMMEDIATE F C O TELEGRAM NUMBER 318 OF 10 SEPTEMBER 1980 INFO ROUTINE GIBRALTAR, LISBON, PARIS, UKREP BRUSSELS, UKDEL NATO, BONN, MOSCOW AND WASHINGTON.

SPANISH CABINET RESHUFFLE

1. THE SPANISH PRIME MINISTER, ADOLFO SUAREZ, RESHUFFLED HIS CABINET ON 8 SEPTEMBER. THE 23 MAN CABINET (AVERAGE AGE 46) ASSUMED OFFICE THE FOLLOWING DAY. THE LIST, WHICH INTRODUCES FOR THE FIRST TIME THE CONCEPT OF A SENIOR MINISTER (FOR WHICH THE CONFUSING TITLE OF MINISTER OF STATE HAS BEEN ADOPTED - THE BRITISH EQUIVALENT IS SECRETARY OF STATE) IS AS FOLLOWS :

PRESIDENT (IE PRIME MINISTER) ADOLFO SUAREZ (48)

FIRST VICE-PRESIDENT WITH RESPONSIBILITY FOR SECURITY AND NATIONAL DEFENCE

LT GEN MANUEL GUTIERREZ MELLADO (68)

SECOND VICE- PRESIDENT WITH RESPONSIBILITY FOR ECONOMIC AFFA! RS

LEOPOLDO CALVO-SOTELO Y BUSTELO (54)

MINISTERS OF STATE

MINISTER IN THE PRESIDENT'S OFFICE

RAFAEL ARIAS-SALGADO (38)

MINISTER FOR FOREIGN AFFAIRS JOSE PEDRO PEREZ-LLORCA RODRIGO (40)

MINISTER OF ECONOMY AND COMMERCE

JUAN ANTONIO GARCIA DIEZ (40)

MINISTER OF AGRICULTURE

JAIME LAMO DE ESPINOSA (39)

MINISTER OF EDUCATION

JUAN ANTONIO ORTEGA Y DIAZ-AMBRONA (41)

MINISTER OF DEFENCE

AGUSTIN RODRIGUEZ SAHAGUN (49)

MINISTER OF THE INTERIOR

JUAN JOSE ROSON PEREZ (48)

/MINISTER

MINISTER OF FINANCE JAIME GARCIA ANOVEROS (48) MINISTER OF JUSTICE FRANCISCO FERNANDEZ ORDONEZ (50) MINISTER OF TERRITORIAL ADMINISTRATION (IE FOR THE REGIONS) RODOLFO MARTIN VILLA (45) MINISTER OF STATE AND SPECIAL ADVISER TO THE PRESIDENT PIO CABANILLAS GALLAS (56) MINISTERS MINISTER OF INDUSTRY AND ENERGY IGNACIO BAYON MARIN (36) MINISTER OF CULTURE INIGO CAVERO LATAILLADE (51) MINISTER OF PUBLIC WORKS AND URBANIZATION JESUS SANCHO ROF (40) MINISTER OF HEALTH AND SOCIAL SECURITY ALBERTO OLIART SAUSSOL (52) MINISTER OF LABOUR FELIX MANUEL PEREZ MIYAREZ (44) MINISTER OF TRANSPORT AND COMMUNICATIONS JOSE LUIS ALVAREZ ALVAREZ (50) MINISTER OF RESEARCH AND UNIVERSITIES LUIS GONZALEZ SEARA (44) JUNIOR MINISTERS ASSISTANT MINISTER FOR THE PUBLIC SERVICE SEBASTIAN MARTIN RETORTILLO (49) ASSISTANT MINISTER WITHOUT PORTFOLIO (SIC) RESPONSIBLE FOR RELATIONS WITH THE EC EDUARDO PUNSET CASALS (44)

2. SEE MY 2 | F T'S FOR COMMENT.

PARSONS

STANDARD SED ECD NEWS D OID IPD PUSD CABINET OFFICE

[COPIES SENT TO NO 10 DOWNING ST]