

RESTRICTED

FM LISBON 061230Z OCT 80

TO PRIORITY FCO

TELEGRAM NUMBER 198 OF 6 OCTOBER 1980

INFO UKREP BRUSSELS

INFO SAVING MADRID, UKMIS NEW YORK, UKDEL NATO, WASHINGTON,
D13 (WEST) MOD, PARIS, BONN.PORTUGUESE GENERAL ELECTIONS.

1. WITH MOST OF THE RESULTS NOW IN, IT IS CLEAR THAT THE DEMOCRATIC ALLIANCE HAVE WON A CONVINCING VICTORY AND MORE THAN DOUBLED THEIR MAJORITY. THE LATEST PREDICTION SUGGESTS THAT THEY WILL HAVE A MAJORITY OVER ALL THE LEFT WING PARTIES OF 15 SEATS (COMPARED WITH 6 IN THE OLD PARLIAMENT). LIKELY COMPOSITION OF NEW ASSEMBLY IS ALLIANCE 134 SEATS, SOCIALISTS 73, COMMUNISTS 42, UDP 1.
2. THE BIG LOSERS HAVE BEEN THE COMMUNISTS WHOSE SHARE OF THE VOTE IS DOWN FROM 19 PER CENT TO ABOUT 16 PER CENT AND WHO WILL PROBABLY LOSE 5 SEATS DESPITE AN INTENSIVE AND WELL-FINANCED CAMPAIGN. THE SOCIALISTS ALSO LOST SEATS - PROBABLY 3. FOR MARIO SOARES THIS RESULT, DESPITE SKILFUL TELEVISION REPORTEDLY ORGANISED BY THE GERMAN SOCIALISTS, MUST BE A BITTER BLOW.
3. AT A PRESS CONFERENCE AT 3.30 THIS MORNING, SA CARNEIRO SAID THAT THE RESULTS SIGNIFIED NOT ONLY A VOTE OF CONFIDENCE IN HIS GOVERNMENT BUT A MAJOR DEFEAT FOR PRESIDENT EANES, WHO HAD OPENLY SUPPORTED THE SOCIALISTS IN THE ELECTIONS. SA CARNEIRO SAID THAT THE WAY WAS NOW OPEN FOR THE ELECTION OF THE DEMOCRATIC ALLIANCE'S PRESIDENTIAL CANDIDATE, GENERAL SOARES CARNIERO. GENERAL EANES, WHO WAS GIVEN TELEVISION TIME THE DAY BEFORE THE VOTE AS PRESIDENT, USED THIS, QUITE IMPROPERLY IN MY VIEW, TO MAKE A THINLY VEILED AND STRONG ATTACK ON THE DEMOCRATIC ALLIANCE. AFTER THIS I SEE NO POSSIBILITY OF A RECONCILIATION.
4. THE RESULTS EXCEED THE EXPECTATIONS OF THE ALLIANCE AND ARE A PERSONAL TRIUMPH FOR SA CARNEIRO. THE PERSONAL ATTACKS ON HIM BY THE COMMUNISTS AND SOCIALISTS HAVE FAILED AND HE HAS CLEARLY CONVINCED THE ELECTORATE, AFTER NINE MONTHS IN OFFICE, THAT HIS IS A SERIOUS GOVERNMENT WHICH HAS MADE A GOOD START AND CAN TACKLE PORTUGAL'S PROBLEMS EFFECTIVELY. ALTHOUGH THE ALLIANCE STILL HAVE A LONG WAY TO GO IN ELECTING SOARES CARNEIRO, LAST NIGHT'S RESULTS MEAN THAT HE IS NOW AT LEAST IN WITH A CHANCE. EANES STILL ENJOYS WIDE POPULAR SUPPORT BUT HIS LINKS WITH THE SOCIALISTS AND OPEN HOSTILITY TO THE NOW VICTORIOUS ALLIANCE MAY HAVE DAMAGED HIS CHANCES AND HAVE CERTAINLY TARNISHED HIS IMAGE. THE CAMPAIGN FOR THE PRESIDENTIAL ELECTION HAS NOW BEGUN AND SA CARNEIRO WILL THROW EVERYTHING INTO IT. IN THIS CONTEXT, PRE-ACCESSION AID FROM THE COMMUNITY WILL BE HELPFUL.

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5. AT THE PRESS CONFERENCE FREITAS DO AMARAL POINTED OUT THAT THE NEGATIVE CAMPAIGN OF THE OPPOSITION PARTIES HAD FAILED, THAT THE ALLIANCE, PURSUING A POLICY OF SOCIAL JUSTICE, HAD WON IN THE POOREST DISTRICTS OF LISBON AND THAT VOTERS MAY HAVE BEEN PERSUADED TO FORSAKE THE COMMUNIST PARTY BY EVENTS IN AFGHANISTAN AND POLAND.

6. SA CARNEIRO MADE IT CLEAR THAT THE ALLIANCE REMAINED COMMITTED TO REVISION OF THE CONSTITUTION - BY TWO THIRDS MAJORITY IF POSSIBLE, IF NOT BY REFERENDUM; AND THAT PORTUGAL MUST NOW PROGRESS TO FULL DEMOCRACY, WHICH INVOLVED DISAPPEARANCE OF COUNCIL OF THE REVOLUTION AND SUBORDINATION OF THE ARMED FORCES TO CIVILIAN CONTROL.

7. MY AMERICAN COLLEAGUE HAD MARIO SOARES TO A WELL-PUBLICISED LUNCH TWO DAYS BEFORE THE ELECTION. I DO NOT THINK THIS WAS WISE.

FCO PLEASE PASS SAVINGS ADDRESSEES

MORAN

FCO/WHITEHALL
SED

[REPEATED AS REQUESTED]

THIS TELEGRAM
WAS NOT
ADVANCED

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