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TO IMMEDIATE FCO

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INFO IMMEDIATE WASHINGTON (FOR PRIVATE SECRETARY)

INFO PARIS BONN UKDEL NATO UKREP BRUSSELS GOVERNOR GIBRALTAR

(PERSONAL)

M. I.P.T.

PROSPECTS FOR NEW SPANISH GOVERNMENT : FOREIGN POLICY ASPECTS.

CALVO SOTELO'S IMMEDIATE TASK MUST BE TO CONCENTRATE ON DOMESTIC PROBLEMS, JUDGING FOREIGN POLICY OPTIONS IN THAT LIGHT. NEVERTHELESS I WOULD EXPECT THE NEW GOVERNMENT TO PLACE CONSIDERABLE EMPHASIS ON THE NEED TO BRING SPAIN CLOSER TO THE DEMOCRATIC INSTITUTIONS OF WESTERN EUROPE. THE DRAMATIC EVENTS OF THIS WEEK HAVE DEMONSTRATED THAT THE RETURN TO DEMOCRACY IN SPAIN HAS NOT YET FULLY ACHIEVED. IT IS A CONTINUING PROCESS IN WHICH SPAIN URGENTLY NEEDS THE SUPPORT OF HER FOREIGN FRIENDS.

- 2. IN PARTICULAR, THERE MAY BE A TENDENCY TO ARGUE THAT FRESH POLITICAL IMPETUS SHOULD BE GIVEN TO SPAIN'S EARLY ENTRY INTO THE EUROPEAN COMMUNITY. THIS WAS DESCRIBED BY CALVO SOTELO IN HIS PROGRAMME AS A HISTORIC OBJECTIVE OF THE FIRST MAGNITUDE (MY TELEGRAM NO 63). THE SPANIARDS HAVE SHOWN NO MORE WILLINGNESS THAN THE COMMUNITY NEGOTIATORS TO SWEEP ECONOMIC DIFFICULTIES UNDER THE CARPET. CALVO SOTELO IS WELL AWARE OF THE REASONS FOR THE SLOW PROGRESS MADE IN THE CURRENT NEGOTIATIONS. BUT I WOULD EXPECT TO HEAR MORE OF THE PROPOSAL MADE BY PUNSET TO THE LORD PRIVY SEAL LAST MONTH FOR A DECLARATION BY COMMUNITY HEADS OF GOVERNMENT INDICATING RENEWED POLITICAL SUPPORT FOR SPANISH ENTRY. BEHIND AN INSTICTIVE DESIRE TO TURN RECENT EVENTS TO THEIR ADVANTAGE WILL LIE A GENUINE NEED FOR SUPPORT AT WHAT IS STILL A DELICATE JUNCTURE.
- 3. CALVO SOTELO'S DECLARED INTENTIONS TOWARDS NATO (MY TELEGRAM NO 67) ARE ALSO ROBUST. THE INCOPORATION OF SPAIN INTO NATO WILL LIKEWISE BE REGARDED HERE AS AN IMPORTANT ANCHOR FOR SPANISH DEMOCRACY. IT WOULD ALSO, ON BALANCE, BE ATTRACTIVE TO THE LEADERS OF THE ARMED FORCES, WHOM CALVO SOTELO NEEDS TO CARRY WITH HIM, AND

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CONFIDENTIAL GIVE THEM A USEFUL AND NON-POLITICAL ROLE. ON THE OTHER HAND, NATO ENTRY WOULD SPLIT THE COUNTRY AND DISSIPATE THE CURRENT MOOD OF NATIONAL UNITY. THERE MAY ALSO BE INCREASED DOUBTS ABOUT THE WELCOM ACCORDED TO SPAIN BY SOME IMPORTANT NATO GOVERNMENTS. THE CURRENT GERMAN TACTIC (SEE UKREP BRUSSELS TEL NO 644) SEEMS TO BE TO CONCENTRATE SPANISH ATTENTION MORE ON ENTRY INTO THE COMMUNITY. 4. ON GIBRALTAR CALVO SOTELO HAS DECLARED HIS INTENTION OF APPLYING THE LISBON DECLARATION (MY TELEGRAMS NOS 67 AND 69). THIS WOULD ACCORD WITH THE REASONING SET OUT ABOVE. BY NATURE HE IS MORE POSITIVE THAN SUAREZ. BUT HE WILL HAVE TO WATCH THE PARLIAMENTARY ARITHMETIC AND ALSO TO TAKE ACCOUNT OF UNRECONSTRUCTED OPINION ON GIBRALTAR, PARTICULARLY IN THE ARMED FORCES. 5. IN SHORT, CALVO SOTELO IS LIKELY TO TAKE A FAR REACHING AND BASICALLY HELPFUL VIEW ON THE SUBJECTS OF MOST INTEREST TO US. BUT HIS OWN LIBERTY OF MANOUEVRE WILL BE LIMITED. PARSONS FCO/WHITEHALL SED CONFIDENTIAL