Greece

GR S 800

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DESKBY 151000Z

FM ATHENS 150600Z SEPT 81

TO IMMEDIATE FCO DESKBY 151000Z TELNO 215 OF 15/9/81

RPD FOR INFO ROUTINE ANKARA

AND SAVING TO EC POSTS - OTHER NATO POSTS - MOSCOW - MADRID AND NICOSIA.

THE GREEK ELECTIONS.

1. HUNT'S TELELETTER OF 8 SEPTEMBER TO LLEWELLYN SMITH ASKED FOR AN UPDATED ASSESSMENT OF THE ELECTORAL PROPECTS OF THE THREE MAJOR PARTIES, NEW DEMOCRACY (ND), PASOK AND THE MOSCOW-LINE KKE. OTHER PARTIES INCLUDING THOSE OF THE CENTRE ARE UNLIKELY TO WIN MORE THAN A HANDFUL OF SEATS AT THE ELECTION ON 18 OCTOBER.

2. SINCE THE LAST ELECTIONS, AT WHICH ND WON 42% OF THE VOTE,

PASOK 25% AND THE KKE 9%, NEW DEMOCRACY HAS LOST GROUND TO PASOK AND THE KKE HAS MADE SOME GAINS. WE HAVE HITHERTO ASSESSED THAT THE TWO MAIN PARTIES ARE RUNNING EACH OTHER CLOSE - PROBABLY TOO CLOSE FOR EITHER TO OUTDISTANCE THE OTHER BY THE 10% REQUIRED FOR AN ABSOLUTE MAJORITY IN PARLIAMENT.

NEW DOMOCRACY

3. AFTER LOSING GROUND CONTINUOUSLY EARLIER THIS YEAR, ND SEEMED TO STEADY AFTER THE PARTY CONGRESS IN JUNE. MINISTERS,
MPS AND PARTY WORKERS ARE NOW TELLING US THAT ND IS PULLING BACK AND THAT THEY EXPECT TO WIN. BUT THEY SAY IT WILL BE A HARD STRUGGLE,
AND HARDLY ANY OF THEM EXPECTS MORE THAN A PAPER-THIN OVERALL
MAJORITY, IF THAT. THEY RECOGNISE THAT THERE IS
WIDESPREAD DISSATISFACTION WITH THE PERFORMANCE OF THE
GOVERNMENT AND DISIRE FOR CHANGE.

PASOK

4. MEANWHILE PASOK ARE CONFIDENT THAT THEY WILL BE THE LARGEST PARTY IN THE NEW PARLIAMENT AND MANY PASOK WORKERS BELIEVE THAT THEY WILL WIN AN ABSOLUTE MAJORITY.

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DESPITE THE MAJOR SWING THAT WOULD BE REQUIRED TO ACHIEVE THIS.

KKE

5. THE KKE IS SET TO BE THE THIRD PARTY, WITH PERHAPS 12-14% OF THE VOTE, WHICH COULD GIVE THEM SOME 15-20 SEATS OUT OF 300. THEY ARE UNLIKELY TO REACH THE 17% OF THE VOTE NECESSARY TO QUALIFY FOR THE SECOND. DISTRIBUTION OF SEATS, WHICH WOULD ENSURE THEM A SIGNIFICANTLY GREATER STRENGTH THAN THIS. BUT IF NEITHER MAJOR PARTY WINS AN OVERALL MAJORITY, THE KKE ARE LIKELY TO HOLD THE BALANCE.

6. POLLS, FOR WHAT THEY ARE WORTH, HAVE FOR SOME TIME GIVEN PASOK A LEAD OVER ND. A RECENT POLL OF THE GREATER ATHENS AREA, THE FIRST SINCE THE SUMMER BREAK, SHOWS A 15 POINT GAP BETWEEN THE PARTIES, ENOUGH TO GIVE PASOK A SUBSTANTIAL OVERALL MAJORITY. ALTHOUGH THIS FIGURE MAY NOT BE VALID FOR THE COUNTRY AS A WHOLE -THE POLLSTER HIMSELF ADMITS A TENDENCY TO UNDERESTIMATE THE GOVERNING PARTY'S STRENGTHE- THE BROAD CONCLUSION THAT A MAJORITY OF THOSE WHO HAVE ALREADY MADE UP THEIR MIND SUPPORT PASOK, CANNOT BE IGNORED.

7. BUT THE ONE THING EVERYONE HERE AGREES ON IS THE LARGE NUMBER OF UNDECIDED VOTERS - 16% IN THIS POLL AND PROBABLY MORE THAN 20% NATIONWIDE. THE OUTCOME DEPENDS ON HOW THEY VOTE ON 18 OCTOBER. NEW DEMOCRACY'S CONFIDENCE IS BASED ON THE JUDGEMENT THAT THE GREAT MAJORITY OF THESE WILL VOTE AGAINST CHANGE DESPITE THEIR PRESENT GRUMBLING AT THE GOVERNMENT'S PERFORMANCE. THAT MAY BE RIGHT. THE UNDECIDED ARE MAINLY DISSATISFIED GOVERNMENT SUPPORTERS AND CENTRISTS. AND THE FORMER ARE LIKELY TO RETURN TO THEIR NATURAL HOME, NEW DEMOCRACY. BUT IS SEEMS QUITE PROBABLE THAT SUFFICIENT OF THE CENTRISTS WILL VOTE FOR PASOK TO ENSURE IT A MAJORITY.

CONCLUSION

^{8.} OF THE RANGE OF POSSIBILITIES IE: (A) NEW DEMOCRACY OVERALL MAJORITY

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- (B) NEITHER PARTY WIN OVERALL MAJORITY
- (C) PASOK OVERALL MAJORITY
- (A) IS POSSIBLE BUT LOOKS LESS LIKELY THAN IT DID.
- (B) IS AT THIS STAGE THE MOST PROBABLE OUTCOME, WITH PASOK MORE LIKELY THAN NEW DEMOCRACY TO BE THE LARGEST PARTY.

(KARAMANLIS WE BELIEVE SHARES THIS VIEW). BUT

THE DISTURBING POSSIBILITY OF AN ABSOLUTE MAJORITY FOR PASOK CERTAINLY CANNOT BE EXCLUDED.

FAIRWEATHER

FCO/WHITEHALL

SED