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TO PRIORITY FCO  
TELNO 252 OF 14/10/81

RPTD FOR INFO ROUTINE ANKARA NICOSIA WASHINGTON  
AND SAVING TO OTHER NATO POSTS, MADRID, MOSCOW AND DUBLIN.

MY TEL 243: THE GREEK ELECTIONS.

1. GREECE GOES TO THE POLLS ON SUNDAY 18 OCTOBER. THE  
CAMPAIGN WILL END IN TRADITIONAL FASHION WITH MASS RALLIES  
ADDRESSED BY PAPANDEOU ON THE 15TH AND RALLIS ON THE 16TH.

2. THE CAMPAIGN THUS FAR HAS BEEN INTENSE - THE GREEKS  
ENJOY ELECTIONS - AND FOR THE MOST PART PEACEFUL . BUT  
THERE HAVE BEEN ONE OR TWO VIOLENT INCIDENTS OF RECENT  
DAYS INCLUDING A ROUGH-HOUSE INSTIGATED BY PASOK  
SUPPORTERS AT RALLIS' SPEECH IN HERAKLION ON 11 OCTOBER.  
PAPANDEOU HAS DISASSOCIATED THE PARTY FROM THE  
'IRRESPONSIBLE' ELEMENTS INVOLVED. THE 'MILD POLITICAL  
CLIMATE' OF TOLERANCE WHICH RALLIS WAS CULTIVATING BEFORE  
THE CAMPAIGN GOT UNDER WEIGH HAS BEEN CAST ASIDE AND NEW  
DEMOCRACY HAS RELIED INCREASINGLY ON SCARE-MONGERING,  
SUGGESTING, FOR INSTANCE, THAT IF PASOK WINS THESE  
WOULD BE GREECE'S LAST ELECTIONS. PAPANDEOU FOR HIS  
PART HAS USED STRONG AND SOMETIMES INSULTING LANGUAGE,  
ACCUSING RALLIS OF LYING. THE PRESENCE OF THE FRENCH  
MINISTER OF CULTURE, OF FELIPE GONZALES, AND OF  
OLAF PALME (DUE THIS WEEKEND ) ON PASOK PLATFORMS  
HAS PROVOKED A PARTICULARLY  
STRONG REACTION BY AVEROFF AGAINST FOREIGN INTERFERENCE.

3. THERE HAS BEEN MUCH TALK ABOUT 'POLARISATION'  
WHICH IS ACCENTUATED BY AN ELECTORAL SYSTEM WHICH  
REWARDS THE LARGE PARTIES AND PENALISES THOSE  
RECEIVING LESS THAN 17 PER CENT OF THE NATIONAL  
VOTE. POLARISATION IS A FACT. NEW DEMOCRACY HAVE  
SUNK THEIR DIFFERENCES WITH POLITICIANS ON THE FAR  
RIGHT WITH WHOM THEY WOULD FORMERLY HAVE HAD NO TRUCK.

THE SYMBOL OF THIS 'OPENING TO THE RIGHT' IS THE  
PRESENCE OF THEOTOKIS, LEADER OF THE NATIONAL RALLY,

ON THE PARTY'S STATE LIST OF CANDIDATES. NEW  
DEMOCRACY'S CALCULATION IS THAT, WHILE THIS OPENING  
TO THE RIGHT MAY OFFEND SOME MODERATE VOTERS, ENOUGH  
OF THE MODERATES WILL BE SUFFICIENTLY FRIGHTENED OF  
PASOK TO GIVE THEM THEIR RELUCTANT SUPPORT.

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4. FOR HIS PART, PAPANDEOU HAS ENCOURAGED:

POLARISATION BY ENCOURAGING EVERYONE IN FAVOUR OF CHANGE TO VOTE PASOK. HE HAS, AS NOTED IN MY PREVIOUS REPORTS, CLEARLY HAD SOME SUCCESS IN THE CENTRE. BUT THE MOSCOW-LINE KKE STANDS AS AN IMPEDIMENT TO THIS TACTIC. FLORAKIS' SPEECH AT HIS FINAL RALLY IN ATHENS ON 13 OCTOBER WAS AN UNCOMPROMISING CALL FOR SUPPORT FOR THE KKE AS THE ONLY GUARANTEE THAT THE CHANGES PROMISED BY PASOK (E.G THE REMOVAL OF US BASES AND NUCLEAR WEAPONS AND EXIT FROM NATO) WILL BE

IMPLEMENTED. HIS LINE IS THAT THE NEXT GOVERNMENT SHOULD BE BASED NOT UPON A SINGLE PARTY BUT ON 'THE WHOLE SPECTRUM OF THE FORCES OF CHANGE' - I.E. THAT HE WOULD WISH TO JOIN A PASOK COALITION, GIVEN A COMMON POLICY PLATFORM. THE KKE WILL, I BELIEVE, TAKE MORE OF THE VOTE THAN THE 9% WON IN 1977 BUT IS VERY UNLIKELY (THE SOVIET AMBASSADOR HAS TOLD ME HE SHARES THIS VIEW) TO GET THE 17% REQUIRED TO TAKE PART IN THE SECOND DISTRIBUTION OF SEATS AND THEREFORE SUBSTANTIALLY INCREASE ITS PARLIAMENTARY REPRESENTATION. THE EXTREME PARTIES ON THE LEFT (MAINLY MAOISTS AND TROTSKYISTS) HAVE FIELDDED A REMARKABLY LARGE NUMBER OF CANDIDATES BUT ARE NOT A SERIOUS ELECTORAL FACTOR.

5. THE NATURE OF THE CAMPAIGN, WITH THE THEATRICAL ATMOSPHERE IF ITS NUMEROUS MASS MEETINGS AND PAPANDEOU'S BROAD-BRUSH, SOMETHING-FOR-EVERYONE APPROACH, HAS NOT BEEN CALCULATED TO CLARIFY WHAT EITHER OF THE MAIN PARTIES WOULD

DO IF RETURNED TO POWER. BUT SOME NEW POINTS HAVE EMERGED. ON RELATIONS WITH THE UNITED STATES, PAPANDEOU HAS SAID THAT HE WOULD START TALKS ON THE FUTURE OF THE BASES NEXT MARCH, PENDING WHICH, THEIR USE WOULD BE CONTROLLED BY THE GOVERNMENT AND ALL NUCLEAR WARHEADS WOULD HAVE TO BE REMOVED FROM GREECE. ON RELATIONS WITH TURKEY, HE HAS

DENOUNCED THE NEW DEMOCRACY GOVERNMENT'S 'GOODWILL GESTURES' AND CONDMNED THE CONTRADICTIONARY NATURE OF THEIR

CYPRUS POLICY. ON THE EUROPEAN COMMUNITY, AS REPORTED IN MY TELEGRAM NO 250 ON THE ELECTIONS FOR THE EUROPEAN PARLIAMENT WHICH WILL ALSO TAKE PLACE ON 18 OCTOBER, PAPANDEIYOU HAS SAID FIRMLY THAT HE WILL NOT ABANDON THOSE ELEMENTS IN ITS SOCIAL AND ECONOMIC PROGRAMME WHICH CONFLICT WITH COMMUNITY REGULATIONS, AND ADDED IN AN INTERVIEW WITH DE SPIEGEL THAT IF PRESIDENT KARAMANLIS REFUSES PASOK'S REQUEST FOR A REFERENDUM GREECE WOULD WARN ITS EC PARTNERS THAT SHE IS IN NO POSITION TO APPLY THE ACCESSION AGREEMENT.

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IN THE ECONOMIC FIELD PAPANDREOU HAS OUTLINED SOME OF THE EARLY MEASURES HE WOULD TAKE TO STIMULATE THE ECONOMY AND CONTROL

INFLATION, INCLUDING THE INTRODUCTION OF PRICE CONTROLS ON

BASIC GOODS AND THE INDEXATION OF WAGES AND PENSIONS. NEW DEMOCRACY HAVE BEEN MORE INTENT ON DEFENDING THEIR PAST RECORD THAN ON SAYING WHAT THEY WOULD DO AFTER THE ELECTIONS. BUT THERE HAVE BEEN HINTS FROM CIRCLES CLOSE TO RALLIS THAT HE WOULD, GIVEN THE OPPORTUNITY, EMBARK ON MARKEDLY MORE LIBERAL FREE-MARKET POLICIES.

6. AT THE START OF THE ELECTORAL CAMPAIGN MY JUDGEMENT WAS THAT PASOK WERE AHEAD OF NEW DEMOCRACY IN POLULAR SUPPORT. AS THE CAMPAIGN HAS PROGRESSED NEW DEMOCRACY HAS UNDOUBTEDLY MADE GROUND. RALLIS AND SOME OTHER LEADERS ARE NOW, I BELIEVE, GENUINELY CONVINCED NOT ONLY THAT THEY WILL COME OUT AS THE LARGEST PARTY BUT THAT AN ABSOLUTE MAJORITY IS ATTAINABLE. SOURCES WITHIN THE PARTY REFER TO EVIDENCE FROM THEIR PRIVATE OPINION POLLS AND TO REPORTS FROM PROVINCIAL CONSTITUENCIES THAT, LARGELY BECAUSE PREVIOUSLY UNDECIDED VOTERS HAVE COME DOWN IN THEIR FAVOUR, NEW DEMOCRACY IS ON A RISING TREND WHICH SHOULD TAKE THEM IN FRONT OF PASOK. THIS TREND WAS CONFIRMED IN AN INDEPENDENT POLL IN THE GREATER-ATHENS AREA CONDUCTED ON 9 OCTOBER,

WHICH NEVERTHELESS SHOWS PASOK STILL AHEAD. PAPANDREOU AND PASOK CANDIDATES EXPRESS CONFIDENCE BOTH IN PRIVATE AND PUBLIC THAT THEY WILL WIN.

7. THE KEY TO THE RESULT REMAINS HOW THE UNDECIDED FORMER CENTRISTS AND DISSATISFIED FORMER NEW DEMOCRACY VOTERS WILL REACT AT THE POLLING BOOTHS. OUR CALCULATIONS STILL POINT TO A VERY CLOSE RESULT. I WOULD EXPECT TO SEE THE TWO LARGE PARTIES SHARE APPROXIMATELY 80% OF THE VOTE WITH THE KKE GETTING ABOUT HALF THE REMAINING 20% AND THE REMAINDER SHARED AMONGST THE SMALL PARTIES. THE MAJORITY OF INDEPENDENT OBSERVERS TO WHOM I HAVE SPOKEN, INCLUDING MY US AND SOVIET COLLEAGUES, NOW PUT NEW DEMOCRACY IN FRONT. BUT, BASING MYSELF ON A PRETTY WIDE SAMPLING OF OPINION ACROSS THE COUNTRY OVER THE PAST WEEKS AND ON CALCULATIONS OF THE PROSPECTS IN INDIVIDUAL CONSTITUENCES, I HOLD TO THE VIEW THAT THE MOST LIKELY RESULT IS A MAJORITY BUT NOT AN OVERALL

MAJORITY FOR PASOK.

FCO PLEASE PASS SAVING TO OTHER NATO POSTS: MADRID: MOSCOW: AND DUBLIN.

SUTHERLAND

FCO/WHITEHALL  
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[REPEATED AS REQUESTED]  
[THIS TELEGRAM WAS NOT ADVANCED]

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