

**CONFIDENTIAL**

CONFIDENTIAL  
 FM PARIS  
 TO DESKBY 241600Z FCO  
 TELNO 447  
 OF 241200Z APRIL 86

## CHIRAC'S VISIT TO CHEQUERS

## SUMMARY

1. CHIRAC IS FIRMLY IN CHARGE AND OFF TO A FAST START. HIS PRIORITIES ARE ECONOMIC AND ELECTORAL REFORM, WHICH HE SEES AS ESSENTIAL TO HIS GOVERNMENT'S SUCCESS. ALTHOUGH CONCENTRATING ON DOMESTIC ISSUES, HE IS DETERMINED TO PLAY A PROMINENT INTERNATIONAL ROLE AND NOT LEAVE THE FIELD CLEAR FOR MITTERRAND. HIS VISITS TO CHANCELLOR KOHL AND THE PRIME MINISTER ARE DESIGNED TO MAKE THE POINT. THE FRENCH PUBLIC APPROVE OF HIS PERFORMANCE AS PRIME MINISTER. HIS OPINION POLL RATINGS HAVE MOVED UP SHARPLY AND SO HAVE HIS PRESIDENTIAL PROSPECTS:

## DETAIL

2. CHIRAC WILL BE MEETING THE PRIME MINISTER AFTER ONLY FIVE WEEKS IN OFFICE. BUT ALREADY IT IS CLEAR THAT HE IS FIRMLY IN CHARGE OF THE GOVERNMENT AND THAT HIS PARTY, THE NEO-GAULLIST RPR, IS THE DOMINANT POLITICAL FORCE WITHIN THE NEW MAJORITY.

3. CHIRAC IS IN A HURRY. HE FINDS HIMSELF AS PRIME MINISTER FORCED TO COHABIT WITH A SOCIALIST PRESIDENT, AND TO DEPEND ON A PARLIAMENTARY MAJORITY OF ONLY FIVE. HE WANTS TO USE THE PRIME MINISTERSHIP TO POSITION HIMSELF FOR THE PRESIDENTIAL ELECTION, AT MOST TWO YEARS AWAY. COHABITATION MAY NOT LAST THAT LONG IF EITHER PARTNER SEES ADVANTAGE IN ENDING IT SOONER. SO HE MUST ACT RAPIDLY TO CONVINCE HIS SUPPORTERS THAT HE WILL IMPLEMENT THE ECONOMIC AND ELECTORAL REFORMS FOR WHICH THEY VOTED. BUT TOO HASTY OR TOO SWEEPING ECONOMIC REFORM COULD IN THE SHORT TERM PRODUCE ELECTORALLY DAMAGING RESULTS. SO IN SOME AREAS HE IS GOING CAUTIOUSLY.

4. HE WENT FOR A QUICK DEVALUATION AND ANNOUNCED SOME MEASURES OF DECONTROL AND DEREGULATION. NOW HE IS ASKING THE ASSEMBLY TO PASS ENABLING LEGISLATION TO ALLOW HIM TO INTRODUCE ECONOMIC AND ELECTORAL REFORMS BY DECREE. DECREES REQUIRE THE SIGNATURE OF THE PRESIDENT WHO HAS INDICATED THAT HE WILL BE SPARING IN THE NUMBER THAT HE WILL SIGN. AND ELECTORAL REFORM IS VIEWED WITHOUT ENTHUSIASM BY THE SMALL PARTIES WITHIN THE UDF WHO DID WELL OUT OF THE SYSTEM OF PROPORTIONAL REPRESENTATION WHICH MITTERRAND INTRODUCED FOR LAST MONTHS'S ELECTIONS. NEVERTHELESS, CHIRAC SEEMS LIKELY TO GET WHAT HE WANTS, WITH SOME ENERGETIC ARM-TWISTING ALONG THE WAY.

5. ASSUMING HE DOES, HE WILL HAVE CREATED THE CONDITIONS HE BELIEVES ARE ESSENTIAL IF HIS GOVERNMENT IS TO SUCCEED. RE-ESTABLISHING MAJORITY VOTING WILL REMOVE THE INCENTIVE FOR MITTERRAND TO DISSOLVE <sup>THE</sup>

**CONFIDENTIAL**

THE ASSEMBLY, SINCE NEW ELECTIONS WOULD PROBABLY ONLY RESULT IN A LARGER RIGHT-WING MAJORITY. WITH THE DISSOLUTION THREAT MINIMISED, CHIRAC HOPES THAT HE WILL HAVE ENOUGH TIME FOR THE FAVOURABLE WORLD ECONOMIC SITUATION AND HIS OWN POLICIES TO BRING HIGHER GROWTH AND A CHANGE FROM NET JOB LOSS TO NET CREATION. IF SO HE WILL BE WELL PLACED FOR THE NEXT PRESIDENTIAL ELECTIONS. BUT TO AVOID EMBARRASSING SHORT-TERM RESULTS HE IS MOVING CAUTIOUSLY ON DECONTROL OF PRICES, REDUCTION OF JOB PROTECTION AND PRIVATISATION. (THIS IS BEGINNING TO GIVE RISE TO THE COMMENT THAT HIS LIBERALISING BITE MAY NOT BE UP TO HIS PRE-ELECTORAL BARK.

6. ALTHOUGH CHIRAC IS CONCENTRATING ON DOMESTIC ISSUES, HE IS DETERMINED NOT TO LEAVE FOREIGN POLICY TO MITTERRAND, AS THE LATTER WOULD LIKE. EARLY VISITS TO CHANCELLOR KOHL (17 APRIL) AND TO THE PRIME MINISTER MAKE THE POINT THAT INTERNATIONAL RELATIONS AND DEFENCE ARE JUST AS MUCH THE GOVERNMENT'S RESPONSIBILITY AS THE PRESIDENT'S. HIS DECISION TO GO TO TOKYO FOR THE ECONOMIC SUMMIT IS DESIGNED TO SEND THE SAME SIGNAL.

#### CONCLUSION

7. CHIRAC HAS BEEN THE MAJOR BENEFICIARY OF THE ELECTIONS. THE PUBLIC SO FAR LIKE WHAT THEY SEE, AND HIS OPINION POLL RATING HAS SOARED. HE HAS OVERTAKEN BARRE AS THE MOST POPULAR RIGHT-WING POLITICIAN AND IS WAY AHEAD OF GISCARD. MITTERRAND TOO HAS BENEFITED FROM THE PUBLIC'S APPARENT SUPPORT FOR COHABITATION. HIS POLL RATINGS ARE NOW HIGHER THAN THEY HAVE BEEN SINCE 1992.

8. IT MAY NOT, PROBABLY WILL NOT, LAST. THE NOVELTY OF THE SITUATION WILL WEAR OFF AND CHIRAC'S HONEYMOON WITH THE ELECTORATE AND HIS AUTHORITY WITHIN THE COALITION MAY BOTH BEGIN TO FADE. NEVERTHELESS, HE LOOKS SET TO GOVERN UNTIL THE AUTUMN, AND PERHAPS LONGER. AFTER THAT HIS FATE WILL DEPEND ON POPULAR EVALUATION OF HIS PERFORMANCE AS PRIME MINISTER. MITTERRAND WILL EXPLOIT ANY MISTAKES. SO WILL BARRE. GISCARD IS WORKING TO OUTFLANK CHIRAC ON THE RIGHT, BY ASSUMING THE ROLE OF GUARDIAN OF THE LIBERAL FLAME. SO CHIRAC WILL NEED TO BE ABLE TO POINT TO RESULTS. IT IS TOO SOON TO SAY WHETHER HE WILL BE ABLE TO DO SO. BUT THE RIGHT'S ELECTION VICTORY, AND HIS RETURN TO THE PREMIERSHIP, HAVE CERTAINLY IMPROVED HIS CHANCES OF BECOMING THE NEXT PRESIDENT OF FRANCE. IN THE MEANTIME IT IS INCREASINGLY APPARENT THAT EFFECTIVE POWER IS SHIFTING FROM THE ELYSEE TO THE MATIGNON AND THAT CHIRAC IS NOW THE REAL DECISION-MAKER IN FRANCE.

9. FOR BACKGROUND ON CHIRAC'S PERSONALITY SEE MIFT.

FRETWELL



STANDARD (PALACE)  
WED

COPIES TO:  
ASSESSMENT STAFF, CABINET OFFICE

-2-  
CONFIDENTIAL



**CONFIDENTIAL**

CONFIDENTIAL

FM PARIS

TO DESKDY 241600Z F C O

TELNO 446

OF 241300Z APRIL 86

MIPT: CHIRAC'S VISIT TO CHEQUERS

SUMMARY

1. CHIRAC'S ENERGY MAKES HIM A FORMIDABLE OPERATOR. HE HAS BUILT THE RPR INTO AN IMPRESSIVE PARTY MACHINE, AND HAS ESTABLISHED POWER BASES IN BOTH PARIS AND THE CORREZE. THERE IS A CULTURAL AS WELL AS A POLITICAL SIDE TO HIM. THE NEXT FEW MONTHS MAY ANSWER SOME OF THE QUESTIONS ABOUT THE COHERENCE OF HIS POLITICAL VIEWS. HE BELIEVES POLITICS IS ESSENTIALLY, ABOUT POWER.

DETAIL

2. CHIRAC IS ENORMOUSLY ENERGETIC. DURING THE ELECTION CAMPAIGN HE TRAVELLED ALL OVER FRANCE, HOLDING FIVE OR SIX LARGE RALLIES IN A DAY AND OFTEN NOT RETURNING TO PARIS UNTIL THE EARLY HOURS OF THE MORNING, ONLY TO START THE WHOLE CYCLE AGAIN SHORTLY AFTER DAWN. THIS STAMINA HAS BEEN A GREAT POLITICAL ASSET. IN THE PAST TEN YEARS IT HAS HELPED HIM BUILD THE RPR INTO THE BEST PARTY MACHINE IN FRANCE, AND TO ESTABLISH HIMSELF AS THE HIGHLY EFFICIENT AND POPULAR MAYOR OF PARIS. DESPITE BECOMING PRIME MINISTER, HE REMAINS MAYOR OF THE CAPITAL, CONSCIOUS THAT IT IS AN INVALUABLE POWER BASE.

3. BUT PARIS IS NOT CHIRAC'S ONLY BASE. HE LIKES TO THINK OF HIMSELF AS BEING IN PERMANENT COMMUNION WITH RURAL FRANCE AND MAINTAINS HIS LINKS WITH THE DEPARTMENT OF CORREZE WHERE HE FIRST WON A PARLIAMENTARY SEAT FROM A SOCIALIST IN 1967. SIGNIFICANTLY HE CHOSE TO STAND IN CORREZE AGAIN LAST MONTH, RATHER THAN IN PARIS AS SOME IN THE RPR WANTED HIM TO DO. THERE WAS NO DOUBT ABOUT HIS ENJOYMENT IN RETURNING TO HIS OLD ELECTORAL HUNTING GROUNDS. HE LIKES FARMERS AND THEY LIKE HIM (HE WAS AGRICULTURE MINISTER IN THE EARLY 1970S), AND HIS DETERMINATION TO FIGHT FRANCE'S CORNER AT BRUSSELS DERIVES AT LEAST IN PART FROM AN EMOTIONAL IDENTIFICATION WITH THEM.

4. CHIRAC'S POLITICAL FLAIR AND ENERGY, AND HIS ENTHUSIASM FOR RURAL FRANCE, TEND TO OBSCURE THE FACT THAT, FAR FROM BEING THE PHILISTINE BULLDOZER THAT HIS OPPONENTS PORTRAY HIM AS HE IS CULTIVATED AND WELL READ. HE DOES NOT PARADE HIS ARTISTIC AND CULTURAL TASTES, BUT HE TAKES AN INTEREST IN CHINESE POETRY, COUNTS BOULEZ AMONG HIS FRIENDS AND WAS AMONG THOSE WHO HELPED TO ESTABLISH THE KANDINSKY COLLECTION AT THE POMPIDOU CENTRE OF MODERN ART.

5. THE PERENNIAL QUESTION ABOUT CHIRAC IS WHAT, IF ANYTHING, DOES HE BELIEVE IN? WHAT ARE HIS POLITICS? HE IS CONSTANTLY ACCUSED OF BEING IMPULSIVE, OF TAKING A FANCY TO EVERY PASSING IDEA AND THEN DROPPING IT WHEN HE GROWS TIRED OF IT. (GOSSIPS SUGGEST THAT HIS PERSONAL RELATIONS HAVE SOMETHING OF THE SAME FLAVOUR.) IT IS NOT ONLY HIS OPPONENTS WHO QUESTION HIS CURRENT COMMITMENT TO MARKET ECONOMICS, AND POINT OUT THAT HE WAS AS DIRIGISTE AS THE REST OF THEM WHEN HE WAS PRIME MINISTER FROM 1974 - 76. ALTHOUGH CHIRAC HIMSELF CLAIMS TO BE A GAULLIST, HE ADMITS THAT HIS ONLY POLITICAL HERO IS POMPIDOU, WITH WHOM HE WORKED CLOSELY DURING THE LATTER'S

**CONFIDENTIAL**

PRESIDENCY

PRESIDENCY. (THE NEW GOVERNMENT CONTAINS A STRIKINGLY HIGH NUMBER OF PEOPLE WHO WORKED FOR POMPIDOU.)

7. THE NEXT FEW MONTHS MAY RESOLVE SOME OF THE QUESTIONS ABOUT HIS POLITICAL BELIEFS. THERE MAY BE CLUES IN THE FACT THAT MANY OF THOSE WHO NOW SURROUND HIM TEMPER THEIR COMMITMENT TO MARKET ECONOMICS WITH EXPRESSIONS OF SOCIAL CONCERN, AND ARE FAR MORE OUTWARD-LOOKING IN INTERNATIONAL AFFAIRS THAN THE GAULLIST OLD GUARD EVER WERE. THEY ARE UNLIKELY TO BE HELD BACK BY CONSIDERATIONS OF POLITICAL PHILOSOPHY FROM SUPPORTING WHATEVER CHIRAC FINDS NECESSARY IN THE INTEREST OF HANGING ON TO POWER AND IN DUE COURSE CAPTURING THE ELYSEE.

FRETWELL

STANDARD (PALACE)

WED.

- 2 -  
CONFIDENTIAL

