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FM PARIS

TO DESKBY 271200Z FCO

TELNO 520

OF 271031Z MAY 88

AND TO IMMEDIATE MANILA

INFO PRIORITY EC POSTS, WASHINGTON, MOSCOW, UKDEL NATO

INFO SAVING HM CGS IN FRANCE

MY TELNO 501: FRENCH PARLIAMENTARY ELECTIONS.

SUMMARY

1. THE CAMPAIGN HAS YET TO SPARK PUBLIC INTEREST. URC LEADERS ARE PLAYING UP THE RISK THAT A SOCIALIST (PS) MAJORITY MEANS A RETURN TO FULL-BLOODED SOCIALISM. THE ELECTORATE IS SO FAR MORE DISPOSED TO BELIEVE IN MITTERRAND'S COMMITMENT TO QUOTE OUVERTURE UNQUOTE. THE ROCARD GOVERNMENT IS PUTTING THE EMPHASIS ON MODERATION, CONTINUITY AND SOCIAL SOLIDARITY. MITTERRAND MAY BE CONCERNED THAT A LARGE PS VICTORY COULD MAKE PARTY DISCIPLINE, AND QUOTE OUVERTURE UNQUOTE, DIFFICULT. HE WILL ATTEMPT AN OPENING TO THE CENTRE AGAIN, BUT IT MAY TAKE TIME TO ARRANGE.

DETAIL

2. THE CAMPAIGN HAS YET TO ACQUIRE MOMENTUM. THE ELECTORATE, WEARIED BY THE PRESIDENTIAL BATTLE, CAN FIND LITTLE ENTHUSIASM FOR A FURTHER ROUND OF POLITICAL HOSTILITIES, PARTICULARLY SINCE A SOCIALIST VICTORY IS WIDELY REGARDED AS A FOREGONE CONCLUSION. IN THE LAST FEW DAYS PUBLIC AND PRESS ATTENTION HAS FOCUSSED MORE ON THE PROBLEMS OF NEW CALEDONIA (MY TELNO 513 - NOT TO ALL) THAN ON POLITICAL DEBATE.

3. THE LEADERSHIP OF THE UNION DE RASSEMBLEMENT ET DU CENTRE (URC), THE UMBRELLA FOR THE RIGHT, IS TRYING TO AWAKEN INTEREST, ALARMED BY THE DEFEATISM WITHIN UDF AND RPR RANKS, AND BY OPINION POLLS SUGGESTING THAT THE PS AND ITS ALLIES COULD WIN BETWEEN 350-450 OF THE 577 SEATS IN THE ASSEMBLY. THEY ARGUE THAT MITTERRAND IS NOT GENUINELY INTERESTED IN AN OPENING TO THE CENTRE (QUOTE OUVERTURE UNQUOTE), AND THAT IF THE PARLIAMENTARY ELECTIONS GIVE HIM A LARGE MAJORITY IN THE ASSEMBLY, FRANCE RISKS ANOTHER PERIOD OF SECTARIAN SOCIALIST GOVERNMENT LIKE THAT OF 1981-83.

4. THERE IS NO SIGN YET THAT THE VOTERS ARE PERSUADED BY THIS ANALYSIS. THEY HAVE NOTED THE DISARRAY ON THE RIGHT AND SEEM MORE INCLINED TO ACCEPT THE ARGUMENT THAT THE PRESIDENT NEEDS A

CONFIDENTIAL

057302
MDHIAN 1047

PARLIAMENTARY MAJORITY IF HE IS TO GOVERN EFFECTIVELY. MITTERRAND CONTINUES TO SAY THAT HE WANTS A BROAD-BASED GOVERNMENT AND THAT HE WILL ATTEMPT QUOTE OUVERTURE UNQUOTE AGAIN ONCE THE ELECTIONS ARE OVER.

5. ROCARD'S STYLE REINFORCES THE MESSAGE OF OPENNESS AND MODERATION. HE HAS SENT INSTRUCTIONS TO HIS MINISTERS (PUBLISHED IN THE OFFICIAL GOVERNMENT JOURNAL) EMPHASISING THE NEED TO GOVERN ON THE BASIS OF CONSENSUS, TO BE OPEN TO SUGGESTIONS FROM ALL QUARTERS, TO BE AS READY TO LISTEN AS TO ACT, TO EXPLAIN THEMSELVES FULLY, AND TO BE SCRUPULOUS IN OBSERVING ALL CONSTITUTIONAL PROPRIETIES. IN HIS VIEW THEIR CONDUCT CAN BE AS MUCH THE SIGNAL OF QUOTE OUVERTURE UNQUOTE AS ANY AGREEMENTS THAT THE PS MAY BE ABLE TO STRIKE WITH OTHER POLITICAL FORMATIONS.

6. THE FIRST ACTIONS OF HIS GOVERNMENT HAVE BEEN DESIGNED TO EMPHASISE CONTINUITY RATHER THAN TO INDICATE SOME SHARP CHANGE TO A SOCIALIST COURSE (THE PATTERN THE MAUROY GOVERNMENT FOLLOWED IN 1981). BEREGOVY HAS ANNOUNCED THAT HE IS BROADLY IN AGREEMENT WITH THE LAST GOVERNMENT'S ECONOMIC ANALYSES AND POLICIES: INFLATION AND THE BUDGET DEFICIT MUST BE REDUCED WHILE WAGES ARE HELD IN CHECK. IN SOCIAL POLICY TOO THERE IS TO BE AS MUCH CONTINUITY AS CHANGE, ALTHOUGH ROCARD IS DETERMINED TO GIVE SOCIAL ISSUES A HIGHER PROFILE AND A HIGHER PRIORITY THAN HIS PREDECESSOR. HIS DECISION TO PRESS AHEAD AS SOON AS POSSIBLE WITH THE INTRODUCTION OF A MINIMUM GUARANTEED INCOME (PROMISED BY MITTERRAND DURING THE PRESIDENTIAL ELECTION CAMPAIGN) IS SYMBOLIC OF THIS COMMITMENT. (A FULL ANALYSIS OF ROACRD'S SOCIAL POLICIES FOLLOWS SEPARATELY BY BAG.)

7. MITTERRAND MAY BE PRIVATELY CONCERNED BY THE LIKELIHOOD OF A SWEEPING SOCIALIST VICTORY AND A DOMINANT BLOC OF PS DEPUTIES THAT COULD MAKE THE PS HARD TO MANAGE IN THE NEXT ASSEMBLY, THOUGH THE COMPOSITION OF THE PS DOES NOT MEAN THAT MORE MEANS MORE LEFTWARD. A LANDSLIDE VICTORY WOULD ALSO RISK REDUCING CENTRIST REPRESENTATION TO INSIGNIFICANCE, LEAVING THE PS NO POTENTIAL PARTNER WITH WHOM TO ATTEMPT QUOTE OUVERTURE UNQUOTE. THERE ARE SUGGESTIONS THAT MITTERRAND HOPES THAT THERE WILL BE ENOUGH LEFT RADICALS (MRG) CENTRISTS (CDS) AND RIGHT RADICALS (VALOISIENS) TO FORM AN OFFICIAL PARLIAMENTARY GROUP IN THE NEW ASSEMBLY. BUT EVEN IF THERE ARE (AND A MINIMUM OF 30 DEPUTIES IS NEEDED TO COMPOSE SUCH A GROUP), ITS FORMATION MAY TAKE TIME TO ARRANGE, AND ITS POTENTIAL COMPONENTS MAY ANYWAY BE WARY OF COMMITTING THEMSELVES TO NEW ALLIANCES UNTIL THIS AUTUMN'S DEPARTMENTAL ELECTIONS, AND NEXT SPRING'S MUNICIPALS, ARE OVER. AT PRESENT THEREFORE IT LOOKS AS THOUGH MITTERRAND'S NEXT

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ATTEMPT AT QUOTE OUVERTURE UNQUOTE MAY HAVE TO BE BY SMALL STEPS AND
OVER A PROTRACTED PERIOD.

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