CONFIDENTIAL

GRS 620 CONFIDENTIAL FM MADRID 231537Z APRIL 82 TO PRIORITY FCO TELEGRAM NUMBER 216 OF 23 APRIL INFO GOVERNOR GIBRALTAR (PERSONAL) LISBON PARIS WASHINGTON UKDEL NATO UKREP BRUSSELS MOD DI3

STABILITY OF SPANISH GOVERNMENT

- 1. IN VIEW OF RECENT DEVELOPMENTS , YOU MIGHT WELCOME AN ASSESSMENT OF THE STABILITY OF THE SPANISH REGIME.
- 2. THE SPANISH GOVERNMEN T IS INEVITABLY AFFECTED BY THE STRAINS ARISING FROM THE TRIAL OF THOSE RESPONSIBLE FOR LAST YEAR'S COUP (MY TELNO 2 SAVING) AND THE CONTINUING ACTIVITIES OF THE BASQUE TERRORIST ORGANISATION, ETA (MY TELNO 206), AS WELL AS THE PROSPECT OF REGIONAL ELECTIONS IN ANDALUSIA NEXT MONTH AND OF GENERAL ELECTIONS BEFORE MARCH 1983. THE FALKLANDS CRISIS AND THE SUPPOSED PARALLEL WITH GIBRALTAR PRESENT NEW PROBLEMS.
- 3. IN PARLIAMENT THE GOVERNMENT IS NOW DEPENDENT ON AGREEMENTS WITH EITHER THE LEADING OPPOSITION PARTY (PSOE) OR WITH MINORITY PARTIES TO GET ITS LEGISLATION THROUGH. THE CABINET FELT COMPELLED TO WITHDRAW A CONTROVERSIAL BILL ON UNIVERSITY EDUCATION RATHER THAN RISK FURTHER DEFECTIONS FROM ITS OWN PARTY (UCD) OR DEFEAT IN A VOTE (REDDAWAY'S LETTER OF 22 APRIL). BUT DESPITE THE LIMITATIONS IMPOSED BY THIS NEED TO WIN SUPPORT ELSEWHERE, THE GOVERNMENT ARE NOW FAIRLY CONFIDENT ABOUT THEIR ABILITY TO CARRY THEIR LEGISLATION. THE BUDGET, ON WHICH THEY ARE LIKELY TO FACE ALMOST INSURMOUNTABLE PROBLEMS, IS NOT DUE UNTIL NOVEMBER.
- 4. THE TRIAL OF THE MILITARY PLOTTERS CONTINUES TO PRESENT A SORRY SPECTACLE (MADRID SAVINGRAM NO 2). BUT THE GOVERNMENT MAY NOT BE ENTIRELY SORRY TO SEE SOME EROSION OF THE MYTHS THAT HAVE BUILT UP AROUND THE SPANISH ARMED FORCES. THE GOVERNMENT HAVE A RELATIVELY NEW TEAM AS CHIEFS OF STAFF AND SEEM CONFIDENT OF THE HIGH COMMAND'S LOYALTY. A WIDE SPECTRUM OF POLITICIANS HAVE TOLD US THEY EXPECT THE LEADING PLOTTERS ON TRIAL TO GET THE SEVERE SENTENCES PUBLIC OPINION DEMANDS. THIS REMAINS TO BE SEEN.
- 5. THE GOVERNMENT PARTY HAVE FOR A LONG TIME EXPECTED TO LOSE THE ANDALUSIAN REGIONAL ELECTIONS (23 MAY) TO THE PSOE. BUT THEY ARE ENCOURAGED BY RECENT SHOWINGS IN THE OPINION POLLS AND NOW HAVE GREATER CONFIDENCE THAT THEY CAN ACHIEVE A RESPECTABLE RESULT. THEY HAVE BEEN HELPED BY THE RECENT ALLIANCE BETWEEN THE LOCAL PSOE AND THE COMMUNISTS IN THE ASTURIAN REGIONAL GOVERNMENT (TO THE EMBARRASSMENT AND ANGER OF PSOE NATIONAL LEADERSHIP) WHICH HAS UNDERMINED THE PSOE'S NATIONAL CLAIM TO HAVE NO TRUCK WITH THE COMMUNISTS AND TO BE A MODERATE PARTY. CONFIDENTIAL 16.

6. THE RECENT TERRORIST OFFENSIVE (MADRID TEL 206) MAKES GOVERNMENT CLAIMS THAT ETA WAS ON ITS LAST LEGS LOOK HASTY. BUT THE IS AS YET NO MARKED HEIGHTENING OF TENSION HERE. THIS IS IN CONTRAST WITH THIS TIME LAST YEAR, WHEN ASSASINATION ATTEMPTS IN MADRID CAUSED CONCERN AND WHEN THE ARMY WAS ALSO DEPLOYED TO PATROL THE FRONTIERS AND GUARD INSTALLATIONS. THERE HAS BEEN NO MAJOR REDEPLOYMENT OF TROOPS TO TAKE ON THESE TASKS ONCE AGAIN. CERTAINLY GENERAL LACALLE LELOUP, CHIEF OF THE DEFENCE STAFF, GAVE AN IMPRESSION OF CONFIDENCE WHEN I CALLED ON HIM WITH ADMIRAL LYGO ON 22 APRIL. THE GOVERNMENT HANDLED WELL AN EMERGENCY DEBATE ON 22 APRIL ON THE LATEST TERRORIST INCIDENTS. THE MINISTER OF THE INTERIOR WAS ABLE TO SAY THAT THE POLICE HAD MADE A NUMBER OF ARRESTS. THE PRIME MINISTER DEFUSED PUBLIC CRITICISM BY ADMITTING THAT THE TELEPHONE EXCHANGE BLOWN UP SHOULD HAVE BEEN BETTER GUARDED. THE PRIME MINISTER ALSO REJECTED THE NEED TO DECLARE A STATE OF EMERGENCY AND RULED OUT ANY NEGOTIATION WITH ETA. ALL PARLIAMENTARY GROUPS EXPRESSED UNQUALIFIED SUPPORT FOR THE GOVERNMENT IN THEIR BATTLE AGAINST THE TERRORISTS.

7. OUTSIDE PARLIAMENT, THE UNRECONSTRUCTED RIGHT-WING REMAIN
A TINY IF VOCAL MINORITY (MY TEL 213). MANY SPANIARDS SYMPATHISE
WITH ARGENTINA'S CLAIM TO SOVEREIGNTY OVER THE FALKLANDS. BUT FEW
SUPPORT THE USE OF FORCE OVER GIBRALTAR OR THE FALKLANDS, AND
CRITICISM OF ARGENTINA'S METHODS IS GROWING. THE SPANISH GOVERNMENT
REMAIN FIRMLY ON THE SIDE OF DIPLOMATIC SOLUTIONS (MY TEL NO 209).

8. ALTHOUGH THE THREAT OF ACTION BY A SMALL GROUP CAN NEVER BE ENTIRELY RULED OUT, THERE IS NO GENERAL FEELING HERE THAT RECENT EVENTS HAVE UNDERMINED THE STABILITY OF THE REGIME. THE MILITARY DISPLAY NO SIGNS OF JUMPINESS, STILL LESS OF INCLINATION TO TAKE NON-CONSTITUTIONAL ACTION. THE GOVERNMENT IS UNDER CONSTANT PRESSUR TO SHOW THAT DEMOCRATIC AND PEACEFUL MEANS ARE MORE EFFECTIVE THAN THOSE PREVIOUSLY EMPLOYED BY THE FRANCO REGIME AND NOW BY OTHER NON-DEMOCRATIC COUNTRIES. THIS APPLIES EQUALLY TO GIBRALTAR AND THE FALKLANDS CRISIS IN INTERNATIONAL TERMS, AND TO THE ECONOMY THE AUTONOMY ISSUE AND TERRORISM ON THE INTERNAL SCENE. THEY ARE GOING THOUGH A ROUGH PATCH. BUT NO ONE WANTS EARLY ELECTIONS. THE CALVO SOTELO GOVERNMENT OUGHT THEREFORE TO SURVIVE FOR THE TIME BEING.

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THIS TELEGRAM WAS NOT ADVANCED