Vegitain He Verreller (WED.) Minister HE

POLITICAL SITUATION

It may be worth recording some observations based mainly on a conversation yesterday evening with a DC journalist, Franco Venturini of "Il Tempo"

- La Malfa is very unlikely to succeed in forming a government (Venturini said "80/20 against"). PCI intransigence, which caused the failure of the Andreotti attempt, is unlikely to be modified. The PCI will go on insisting on having ministers in the government and the DC will go on rejecting this.
- (b) There are however two important differences in the situation now:
- (i) the Prime Minister-designate has often said in the past that he is in favour of having Communists ministers, and
- (ii) it is the DC who may now find themselves in the position of having to appear negative. The DC are worried about this.
- (c) Ia Malfa cordially hates Craxi, and vice-versa. This is not going to make it any easier for La Malfa to find a solution.
- (d) Conversely Andreotti and Craxi have been getting on very well lately. Gianni Letta, editor of "Il Tempo", (who is close to Andreotti) had them both to lunch a trois shortly after the crisis began. They apparently both thought then that some formula could be worked out. (This is interesting evidence of moves behind the scenes to bring the PSI closer to the DC).
- (e) La Malfa might conceivably be able to achieve a temporary solution, at least until the European elections, on the lines of/government which the Marche region has had since last December (ie a giunta of the small lay parties with external support from both the DC and the PCI). But this seemed hardly likely, and would in any case be a very weak government.
- (f) This was not the first time since 1945 that the mandate had been given to a "laico". Pertini himself (as President of the Chamber of Deputies) had been given a mandate by Saragat for a few days in 1968 after the fall of one of the Leone governments.

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2) is not at present acceptable to the PCI and would be a homer as it for f

the SC. It is the obvious compromise. But I don't think it will work



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With the compliments of

W.J. ADAMS.

BRITISH EMBASSY ROME