QUADRIPARTITE MEETING OF POLITICAL DIRECTORS, WEDNESDAY 26 FEBRUARY

## (H) ITALY

- A B C 1. Rome telegrams 80, 92 and 104 give Sir A Campbell's present assessment of the Italian political situation.
  - 2. Other sources suggest that one of the main reasons for PCI intransigence is that the collective PCI leadership is deeply divided, though there are as yet no signs that Berlinguer's own position is threatened. His immediate objective may be to prolong the "crisis" until the PCI Congress on 20-25 March which will provide an opportunity for the Party to clarify its thinking.
  - 3. A possible strategy for the PCI would be to press for enforced early elections in order to clip the wings of the socialists (who are otherwise expected to do well in the June European Assembly elections) and demonstrate to the DC and the country at large that effective government and a solution to the country's economic problems are impossible without active PCI participation. However the PCI would be likely to lose some of its current strength in an election; whether the strategy would work would depend on how large that loss turned out to be. The risks of loss of morale and damage both to Berlinguer's own position and to the policy of "historic compromise" must be strong disincentives.
  - 4. For the time being, the assessment in the last sentence of Rome telegram 80 appears to remain valid.

Western European Department

20 February 1979