

GR 450

CONFIDENTIAL

CONFIDENTIAL

FM ROME 081600Z OCT

TO PRIORITY FCO

TELEGRAM NUMBER 544 OF 8 OCTOBER 1980

INFO HOLY SEE (A)

FOLLOWING FOR WED

YOUR TELNO 426: ANGLO/ITALIAN SUMMIT

1. PROSPECTS FOR THE SUMMIT MUST CLEARLY DEPEND UPON A RESOLUTION OF THE ITALIAN POLITICAL CRISIS.

WHETHER OR NOT FORLANI'S PRESENT EFFORTS TO FORM A COALITION SUCCEEDED IT IS REASONABLE TO ASSUME THAT THERE WILL BE AN ITALIAN GOVERNMENT FORMED BEFORE 23 NOV.

ITALIAN OBJECTIVES MAY NOT BE AFFECTED VERY MUCH BY THE PRECISE COMPOSITION OF A NEW GOVERNMENT. BUT WE COULD NOT THIS WEEK EXPECT ANYONE TO GIVE US ANY GUIDANCE. WE MAY BE ABLE TO TAKE SOUNDINGS DURING THE STATE VISIT IF PROGRESS HAS BEEN MADE BY THEN.

2. WHOEVER IS THE ITALIAN PRIME MINISTER IN LATE NOVEMBER, HE WILL HAVE AS HIS FIRST OBJECTIVE IN THESE TALKS TO ESTABLISH (OR RECONFIRM) A GOOD WORKING RELATIONSHIP WITH MRS THATCHER. THE TALKS WILL AFFORD A NEW ITALIAN GOVERNMENT AN OPPORTUNITY TO CONCERT POLICY WITH A MAJOR ALLY ON INTERNATIONAL ISSUES AND TO BE SEEN AT THE TOP TABLE. AT PRESENT OUR BEST ESTIMATE IS THAT THE PRINCIPAL POLITICAL TOPICS ON WHICH THEY WOULD WANT SUCH CONSULTATION WOULD BE THE OUTCOME OF THE US PRESIDENTIAL ELECTIONS SEMICOLON DEVELOPMENTS IN THE MIDDLE EAST, BOTH OVER ARAB/ISRAEL AND OVER THE MIDDLE EAST WAR SEMICOLON AND WESTERN POLICY TOWARD THE DEVELOPING WORLD, ON WHICH THEY WOULD PRESS FOR A MORE FORTHCOMING WESTERN APPROACH. EUROPEAN COMMUNITY ENLARGEMENT AND RESTRUCTURING WOULD BULK VERY LARGE IN THEIR THINKING BUT ON BOTH THEY ARE LIKELY TO WANT TO ELICIT BRITISH THINKING AND TO LOOK FOR A MEASURE OF GENERAL AGREEMENT THAT CAN BE REFLECTED IN A COMMUNIQUE RATHER THAN TO PUT FORWARD PRECISE IDEAS OF THEIR OWN AT THAT STAGE.

3. THE INTERNATIONAL ECONOMIC SITUATION, THE THREAT OF JAPANESE AND OTHER ASIAN COMPETITION, EAST/WEST RELATIONS AND ENERGY SHOULD BE INCLUDED IN ANY PROBABLE AGENDA. TERRORISM IS A LIVELY PREOCCUPATION BUT WE JUDGE IT UNLIKELY THAT THE ITALIANS WILL HAVE ANY PRECISE PROPOSALS TO ADVANCE.

4. ALTHOUGH THE FOREIGN MINISTRY HOPE THAT COLOMBO WILL STAY IN OFFICE HE MAY NOT AND THERE IS NO ASSURANCE OF CONTINUITY EITHER AMONG MINISTERS OR IN THEIR CABINETS. I HOPE, THEREFORE, THAT YOU CAN WORK FOR THE PRESENT ON THE BASIS OF THE ABOVE ADVICE. AS SOON AS THERE IS A NEW GOVERNMENT WE WILL CONSULT THE ITALIANS URGENTLY AND REPORT FURTHER.

ARCULUS.  
MINITEL  
WED  
P&CD

THIS TELEGRAM  
WAS NOT  
ADVANCED

limited  
distribution

CONFIDENTIAL