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FM ROME 281445Z OCT 88

TO PRIORITY FCO

TELEGRAM NUMBER 578 OF 28 OCTOBER
INFO HM YACHT BRITANNIA (FOR S OF S FCA)

INFO SAVING ALL EC POSTS, WASHINGTON AND UKDEL NATO

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## MIPT : ITALIAN INTERNAL SITUATION

1. THE COALITION IS MUCH AS PREDICETED, WITH THE LIBERALS REMAINING OUTSIDE, AND THERE ARE FEW SURPRISES IN THE MINISTERIAL APPOINTMENTS. THE ENTRY OF THE SOCIAL DEMOCRATS (PSDI) INTO GOVERNMENT MADE SOME RESHUFFLING INEVITABLE, BUT MORE THAN HALF KEEP THEIR OLD JOBS, INCLUDING COLOMBO, LAGORIO, BISAGLIA AND ROGNONI. THE DEPARTURE OF MARCORA AFTER ALMOST 6 YEARS AT AGRICULTURE IS A LOSS BUT HE HAS LONG WANTED TO GO: HIS SUCCESSOR, BARTOLOMEI, HAS BEEN WELL REGARDED AS DC GROUP LEADER IN THE SENATE BUT HAS NO MINISTERIAL EXPERIENCE. PANDOLFI'S REMOVAL FROM TREASURY IS A CONSEQUENCE OF HIS FAILURE TO GET THE ECONOMIC DECREE THROUGH PARLIAMENT AND OF HIS LACK OF A STRONG POWER BASE WITHIN THE DC: HE WILL BE MISSED, BUT HIS SUCCESSOR ANDREATTA IS AN ABLE ECONOMIST, SAID TO BE THE BANKER'S CHOICE. SIGNORELLO'S DEPARTURE FROM FISHERIES IS REGETTABLE.

AT JUSTICE, THE BITTER ATTACKS LAUNCHED BY THE MAGISTRATES THEMSELVES AGAINST MORLINO MADE A CHANGE ALMOST INEVITABLE. COSSIGA DID NOT WANT A PORTFOLIO: THERE IS TALK OF HIS SEEKING A YEAR AT ALL SOULS' OXFORD. (HE IS OF COURSE A PROFESSOR) THE THREE PSDI MOMINEES ALL HAVE MINISTERIAL EXPERIENCE: NONE GETS A KEY JOB.

- 2. ABOLITION OF THE POST OF MINISTER WITHOUT PORTFOLIO HAS ENABLED AN EVEN BALANCE TO BE STRUCK BETWEEN THE DC AND LAY PARTIES (DC 13, PSI 7, PRI 3, PSDI 3): CRAXI ATTACHED PARTICULAR IMPORTANCE TO THIS, BUT TO ACHIEVE IT AND TO CREATE SPACE FOR PSDI MINISTERS HIS PARTY HAS HAD TO GIVE UP TWO MINISTRIES (SCIENTIFIC RESEARCH AND PUBLIC ADMINISTRATION).
- 3. NEITHER ZACCAGNINI NOR ANDREOTTI HAS ENTERED THE GOVERNMENT, AND THE NUMBER OF MINISTRIES ALLOTTED TO THEIR WING OF THE DC IS REDUCED. BUT THE POST OF PARTY PRESIDENT IS AVAILABLE TO REDRESS THE BALANCE. IN THEORY FORLANI COULD RETAIN IT BUT THIS IS YERY UNLIKELY SEMICOLON COSSIGA HAS BEEN MENTIONED AS A POSSIBLE SUCCESSOR BUT THIS IS GENERALLY DISCOUNTED SEMICOLON HE NEEDS A REST.

14. THE

- 4. THE COMMUNIST PARTY (PCI) ARE RESERVING THEIR POSITION UNTIL
  THE PROGRAMME OF THE NEW GOVERNMENT IS CLEAR. BUT BERLINGUER
  HAD A LONG TALK WITH FORLANI, SINCE WHEN PCI COMMENT HAS BEEN
  PITCHED IN A LOW KEY, AS IT WAS WHEN YOU MET HIM ON 14 OCTOBER.
  IF THEY HAVE RECEIVED ANY PRECISE COMMITMENTS FROM FORLANI,
  NOONE IS SAYING WHAT THEY ARE.
- 5. I THINK THE ITALIANS DELAYED THE FORMATION OF THE GOVERNMENT ON PURPOSE TO AVOID DISRUPTION TO THE STATE VISIT.

FCO PLEASE PASS SAVING.

ARCULUS ARCULUS

STANDARD
WED
CCD
NAD
RCD
DEFENCE D
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CABINET OFFICE

REPEATED AS

OF BURNISH BUT THE BOST OF PURTY SIESIDENT IS AVAILABLE TO

RESTRICHED