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7/11

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✓ Deb. Dept.
SED
28)

Mr. Webb. Cab. Office.
(The head of state)

Miss M A Savill
WED
FCO

Mr. Forlani
10/11
That or not quite
what para 7 says.

Your reference
Our reference 014/5
Date 3 November 1980

Dear Mangano,

I think any
prediction a
foreign policy
are risky!
R. 10/11

Mr. Vorster. This letter (+
British press reports) point
to 1987 elections. Nothing
new in the Gorbachev programme.

THE CONFIDENCE DEBATE

1. In his despatch on the new Government, the Ambassador mentioned that Forlani's programme speech contained little that was new. Nevertheless you may wish to have an account of the internal and foreign policy aspects, and of the course of the debates in the Chamber and Senate; we are reporting separately the economic implications.
2. Forlani spoke at considerable length but almost every commitment in his speech was qualified so as not to offend one or other of his coalition partners. To a large extent, the result was an uninspiring reiteration of the policies of the previous Government. Domestically, he pledged that by 30 April 1982 the new Penal Code would be issued, which is a badly needed reform. He spoke of the need to coordinate the activities of the Security Forces; to tackle the Mafia; to face up to the problems of the Special regions (meaning those in the north with ethnic minorities); and to complete the revision of the Concordat governing relations between Church and State. All worthy aims, but fraught with difficulties.
3. On foreign policy, he said that the role of the European Parliament should be strengthened. He restated Italy's commitment to NATO, including the basing of TNF. On the Middle East the line adopted by the Nine in their Venice Declaration was accompanied by a favourable reference to Camp David (perhaps to please the Republicans or the PSDI). The agreement with Malta was put in the context of stabilising the Mediterranean region. Elsewhere (China, The Horn of Africa, Yugoslavia) Forlani spoke in general terms of developing Italy's already good bilateral relations. His passage on aid looks to have been designed to suit the Socialists (they in turn are under pressure from the Radicals on this issue). There is a commitment to put into the cash budget (ie. actually to disburse) aid appropriations for 1980 which amount to 500 billion lire, and to ensure that Italian

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aid as a proportion of GDP will reach the EC average by the end of 1983 and continue to keep pace with it in 1984 and 1985. This process of boosting Italy's hitherto miserly aid budget began during Cossiga's two governments: Tony Galsworthy wrote to Valerie Becket in ERD on 24 July with more details.

4. On relations with other parties Forlani explained that his quadripartite coalition was the broadest that could now be brought to agree on a programme. With the PLI a "positive Parliamentary attitude of convergence" was possible: there was a clear hint that they would be consulted on policy (as you know, it was mainly Socialist opposition which prevented their inclusion in a 'pentapartito' Government). On the key issue of the PCI, Forlani spoke of his "willingness for dialogue"; during his negotiations to form the Government he had "sought the broadest possible agreement of views between the parties of the coalition and outside those parties"; his government would agree to measure and to be measured on the basis of the facts, trying not to make polemics harsher; the objective had to be greater national cohesion. It is these somewhat cryptic undertakings, plus of course any specific concessions which Forlani may have made in private to Berlinguer, which have so far induced the PCI to reserve judgement on the new Government, to speak in terms of a more 'mellow' opposition, and to concentrate their hostility on Craxi's PSI. The fact that Forlani, a Fanfani and firmly in the Preambolist camp, has taken this line should not be surprising: in March, after all, the party split not on the issue of whether to talk to or consult the PCI ("confronto") but on whether their re-entry into the governing consensus should be contemplated (for which the catch phrases were "national unity" or "national solidarity"). Neither Forlani nor the majority of the party have changed their view on this fundamental issue: all the talk of "cohesion" and areas of agreement is designed to be more acceptable to the Zaccagnini and Andreotti factions, thus avoiding a repetition of Cossiga's fate.

5. In the debate it was Craxi who captured most attention by speaking strongly against Vatican interference on the abortion issue. Abortion is always controversial in Italy. The present law, dating from 1978, is under attack from two sides: the Radicals want its controls relaxed and have 700,000 signatures for a referendum along these lines, while a Catholic movement has collected over 2 million signatures for 2 separate referenda which would make it much stricter. The Court of Cassation must now verify the signatures - 500,000 valid signatures would suffice - and the referendum (or even two on the same issue) would then be held on one of several specified Sundays next spring. The whole issue is clearly fraught with difficulties for the Christian Democrat establishment, not least because it raises

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questions of how the Lateran pacts should be interpreted, and they have counterattacked strongly. Craxi will have seized on this issue to embarrass them and also the PCI (who dislike the very principle of referenda) at the same time demonstrating his party's 'lay' credentials and taking some of the wind out of the Radicals' sails (they can take PSI votes, especially among the young).

6. This issue, and the petrol scandal which came to a head during the week, rather overshadowed the debate in both houses. The votes were predictable: the Liberals abstained, and the Government majority was 112 in the Chamber (362 to 250) and 68 in the Senate (188 to 120). The new Government's theoretical majority in the Chamber is 98 if one includes the SVP (see my letter of 25 September): in the Senate it is 63, made up as follows:

DC	138 (not including Fanfani: as President he customarily abstains)	PCI	94
		Independent Left	16
PSI	33	MSI	13
PSDI	10	Others	6
PRI	7	(including the 2 Liberals who abstained this time)	
(SVP	4)		
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Total	192	Total	129

You will note that the Government's theoretical majority is proportionately stronger in the Senate than in the Chamber.

7. It is difficult to comment on the general political atmosphere in Rome without seeming to be swayed by the day's newspaper headlines. But it has to be said that after the surprisingly rapid formation of Forlani's Government, the honeymoon is now over. For all the numerical strength of the majority, its problems look formidable and there is even some talk of early elections next year. We need not take this too seriously, but it is a sign of how much the situation has already returned to normal.

8. I am copying this letter to Kathryn Colvin, together with the full text of Forlani's speech for reference purposes.

Yours ever
Robert Culshaw
R N Culshaw

cc: Mrs K Colvin, Research Dept

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