







THE FORLANI GOVERNMENT : OCTOBER 1980 TO MAY 1981



1. I submit Sir Ronald Arculus's Despatch of 22 June looking back on the record of Signor Forlani's government (Italy's 40th since the War). I have acknowledged the Despatch and arranged for its distribution in the departmental series.



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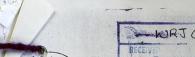
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2. In the end, Signor Forlani's parliamentary majority of 90 offered no protection against the series of accidents to which his government was prone from the outset. The Prime Minister lacked dynamism, but Signor Colombo and Signor Lagorio, still respectively Foreign Minister and Defence Minister, have helped to keep Italy on a course welcome to the UK, the EC and NATO. If anything, Italian politics are going to be even more unpredictable than usual in the months ahead and we could well see a fresh general election in the autumn.

30 June 1981

D A S Gladstone Western European Department

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Sir Ronald Arculus KCMG KCVO British Embassy ROME

Dear Ronald

THE FORLANI GOVERNMENT

- 1. Thank you for your despatch of 22 June summarising the achievements of the Forlani Government and recording the series of setbacks that eventually brought it down. Given the gravity and frequency of those setbacks, especially in the first months, Signor Forlani did well to soldier on for as long as he did. His government never looked like beating Italy's postwar average although in the event its fall came as a surprise: it really had seemed to have a good chance of lasting through the summer in defiance of my forecast (contained in my letter of 13 November) that it would last six months.
- 2. Whereas Signor Forlani began his period in office with some fairly good cards in his hand, Signor Spadolini appears to have none. He will have to prove either a wizard of the finesse or an outright card-sharper if he is to survive even as long as Forlani, and I shall not be too surprised to be reading an account of the rise and fall of Italy's 41st post-war government before the summer is out. The interesting question to my mind is whether his fall will be precipitated by:
 - a) another scandal
 - b) a PSI bid for the premiership
 - c) a change of PCI tactics
 - d) DC impatience to regain control

or a combination of all four. In any event I suppose the next 'crisis' may well lead to a fresh general election, at which the 'Mitterrand effect' would be put to the test.

Yam ever David

D A S Gladstone Western European Department



Mr Fergusson

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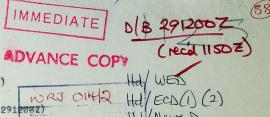
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- 2. In the end, Signor Forlani's parliamentary majority of 90 offered no protection against the series of accidents to which his government was prone from the outset. The Prime Minister lacked dynamism, but Signor Colombo and Signor Lagorio, respectively Foreign Minister and Defence Minister, have helped to keep Italy on a course welcome to the UK, the EC and NATO. It remains to be seen whether Signor Spadolini, the Republican Party leader charged with forming a new government, will decide to leave these Ministers where they are. If anything, Italian politics are going to be even more unpredictable than usual in the months ahead and we could well see a fresh general election in the autumn.

29 June 1981

D A S Gladstone Western European Department

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TO IMMEDIATE FCO

TELEGRAM NUMBER 250 OF 29 JUNE 1981 Cab Off

INFO SAVING OTHER E C POSTS, WASHINGTON AND UKDEL NATO

INFO SAVING HOLY SEE, CAREER CONSULAR POSTS IN ITALY (ACTIONED)

MIPT: NEW ITALIAN GOVERNMENT

- 1. SPADOLINI'S TEAM NUMBER 27 COMPARED WITH 26 IN OUTGOING FORLANT ADMINISTRATION. THE CHRISTIAN DEMOCRATS (DC) FOUGHT HARD TO GAIN TWO MINISTERIAL PLACES TO COMPENSATE FOR THEIR LOSS OF THE PRIME MINISTER'S POSITION SEMICOLON THE INCOMING LIBERALS HAVE ONE SEAT WHILE THE REPUBLICANS (PRI) HAVE GIVEN UP TWO OTHER PLACES WHILE SECURING THE PRIME MINISTRY.
- 2. THE MOST IMPORTANT OF THE PORTFOLIOS FOR OUR PURPOSES ARE GENERALLY UNCHANGED. COLOMBO, LAGORIO AND ANDREATTA REMAIN AT FOREIGN AFFAIRS, DEFENCE AND THE TREASURY, RESPECTIVELY. SO TOO DO ROGNONI AND LA MALFA (INTERIOR AND BUDGET) AND, LESS HAPPILY, BARTOLOMEI AT AGRICULTURE. THE LIST OVERALL UNDERLINES THE PRESSURE ON SPADOLINI TO CONCILIATE THE MAIN POLITICAL

FORCES WITHIN THE COALITION: TWO COMPETENT MINISTERS WHO LACKED
A STRONG POLITICAL BASE, PANDOLFI (INDUSTRY - DC) AND REVIGLIO
(FINANCE - PSI) HAVE BEEN REPLACED BY MARCORA (DC -FORMERLY
HE HIGHLY COMPETENT MINISTER OF AGRICULTURE) AND FORMICA (PSI),
OFTHO OF WHOM HAVE A POWERFUL POLITICAL FOLLOWING.
OF THE OTHER APPOINTMENTS, ONE POINTER FOR THE FUTURE MAY BE THAT
OF SIGNOR SIGNORILE, A LEFT-WING PSI LEADER, ECLIPSED BY CRAXI
SEMICOLON HE GOES TO THE CASSA PER IL MEZZOGIORNO.

3. AS A WHOLE, THE TEAM LOOKS EXPERIENCED AND REASONABLY COMPETENT.
IT IS NOT INNOVATIVE AND IF SPADDLINI HAS REALLY TRIED TO GIVE IT
A MORE TECHNOCRATIC LOOK AND LESS DEPENDENT POLITICALLY, THEN HE
HAS FAILED. ATTENTION WILL NOW CONCENTRATE ON WHETHER HE CAN BREAK
TRADITION BY TACKLING A SERIOUS PROGRAMME OF INTERNAL ECONOMIC
REFORM AND HE HAS STARTED BOLDLY BY UNDERTAKING TO TACKLE THE
''SCALA MOBILE'' OR INDEXATION SYSTEM WHICH CONTRIBUTES TO INFLATION
IN THE COUNTRY. BUT THE FIRST COMMENTS ARE MOSTLY CYNICAL AND
MANY SEE SPADDLINI'S GOVERNMENT AS A TRANSITIONAL STAGE LEADING
EVENTUALLY TO A SOCIALIST-LED COALITION.

4. NOTES ON THE NEW MINISTERS NOT INCLUDED IN OUR PERSONALITY REPORT FOLLOW BY BAG.

FCO PLEASE PASS SAVING OTHER EC POSTS, WASHINGTON AND UKDEL NATO.

ARCULUS

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