

34

Reference.....

hints, for copy minute & notes under images & Mr RP Osborne Jun 74

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cc: with encls:
Mr Thompson, Milan
IO o.r.

1) Mr Culshaw These notes are very interesting and think you should copy them to W&S

2) I think H&A

These are well worth reading
cc Mrs. Colvin, Research Dept
Mr Henry Jones, Info Dept
6/12

VISIT TO MILAN

1. I attach records of my conversations in Milan which were separate from the PSDI Congress. I was most grateful to Mr Thompson for arranging two of them. I also tried hard to see the PSI, but without success; the Federation and Regional Secretaries were preoccupied with the Congress and with local problems.

2. I shall submit separately a report on the Congress, together with notes of one or two PSDI conversations which contain points not covered in the report.

31 March 1982

R N Culshaw
R N Culshaw

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VITALI, PCI SECRETARY FOR THE MILAN FEDERATION

1. Vitali agreed that it was very important for the DC that they should persuade the PSI to change its policy on local juntas; the DC would certainly never get back on their administrative record! It would however be very difficult for the PSI to comply; they were too used to playing off the DC against the PCI, and in many of the big cities there was in any case a clear mandate from the voters for a left wing administration. Rome was the emblematic case, but for the PSI Milan would be much more difficult to give up. Meanwhile on the practical level, so often ignored in Italy, cooperation in Milan between the PCI and PSI was going ahead untroubled; the comune budget, for example, was about to be settled. Minor difficulties over La Scala were exaggerated by the press. Some real problems remained unsolved, so that in Milanese elections there would be a slight reaction against the PCI for local reasons; Vitali expected a loss of about 2%, quite unconnected with Poland or the split with Moscow. Most unbiased observers accepted that the PCI behaved more honestly in local government than the DC or the PSI, and also made allowances for the party's relative lack of administrative experience.

2. On Poland, Vitali said that some compagni were pro-Soviet and therefore very shocked by Berlinguer's line and the sharp response from Moscow. Nevertheless only 100 out of the 84,000 iscritti had not renewed their tessera as a result. Berlinguer's judgement of the Soviet Union and socialismo reale was not of course new; most of it could be found in his speeches at the party's last congress in Turin. The novelty was his remark about the October Revolution having lost its propulsive capacity, ie. the terza fase. This amounted to saying that Lenin could have foreseen neither the development of Western capitalism - bringing with it liberties which were of real importance, not bourgeois - nor the stifling nature of state socialism as practised in the East. For a few this was heresy but the overwhelming majority drew the conclusion that the PCI was right to look for its own route to socialism under Western conditions. The third way was hard to define but the attempt must continue, because capitalism too was in crisis; its indispensable elements were the inseparability of socialism and democracy and the need to guarantee peace by moving away from the mentality of two blocs.

3. Vitali spoke about the difficulty of involving young Italians in politics which affected all parties but the PCI less than most.

/Enrolments

RESTRICTED

- 2 -

Enrolments in the FGCI were down, although the commitment of its members was at a higher level than for some years (I wonder what this means). Some themes, particularly peace, attracted the young but they did not have the same keenness to attend PCI section meetings as did his generation (quarantenni). Nevertheless, polls showed that the PCI vote, as distinct from its active membership, was not falling among this age group. The FGCI would hold their Congress in Milan in mid-May and Vitali invited me to attend to see for myself what motivated young Communists in Italy. (It would be valuable for the IO or me to accept this invitation, not least in view of the PCI despatch).

4. We discussed democratic centralism. Vitali denied that it was an essential principle for the PCI or even for Lenin (sic). At some point in the future the PCI might well decide to conduct its internal affairs in a different way. But there was no harm in democratic centralism, provided it was operated against the backcloth of guaranteed pluralism of political parties. In a one party state it would be a disaster. In Italy those who could not accept the party line would always have the option of looking to another party to represent their interests. With all its faults democratic centralism was a system preferable to the factional struggling of the DC, which prevented them addressing Italy's real problems.

5. As a postscript, the difference in atmosphere between the comparable DC and PCI offices in Milan is worth commenting. The DC was rather sepulchral and I had the impression that people went there only when they had specific business to transact. The PCI was a hive of activity, by no means all of it political; workers were dropping in to read the newspaper or watch television on their way home. And on the wall, in addition to the Red Army photograph I noted last time, there were advertisements for low cost holidays in Moscow and Leningrad.

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BOSETTI, UNITA

1. Mr Thompson and I jointly gave him lunch.
2. Bosetti spoke at length about the Unita/Cirillo affair. In the first place, publishing the fake document was a serious journalistic error, and surprising given that Pruccoli and his deputy editor were both experienced and hard-bitten. They should have been much more sceptical about Sig.na Maresca, whose background was dubious (she used to write for an extreme right wing Naples paper called "Roma di Napoli") and who had been set to marry her source Rotondi. Napolitano had been right to say that the business would also do grave damage to the party itself; the Direzione had approved publication, albeit on the assumption that the source was guaranteed; but in such a sensitive case, with a Minister involved, prior consultation with the Government would have been the correct course. It was a tragedy that people would now think of Unita as being no better than Repubblica. I asked whether Bosetti regarded the whole affair as an anti-PCI plot; he said no, because no-one could have foreseen the clumsy handling of the document by both the Unita management and the party hierarchy. The business had however served to detract attention from the key question of who paid the ransom for Cirillo.
3. Bosetti described the PCI's break with Moscow as irreversible and said that it was still being digested by the base in Milan. There remained a significant element of pro-Soviet opinion but its proponents did not control a single section in the city; nor were they represented by the Interstampa group, who were rather outside the party and financed by the USSR. Pravda's attitude was ridiculous, publishing insignificant letters of dissent from tiny comuni while denying space to the major statements of the PCI Direzione. The whole Soviet response to PCI criticism had been ill-judged and could not prevent the party from continuing its search for the terza via.
4. Bosetti thought that the left of the DC would emerge weakened from the forthcoming DC Congress (in this context he remarked how ironic it was that Unita had chosen to launch its attack on Scotti, one of the best DC Ministers). Andreotti had escaped criminal proceedings but not regained his former strength. It was increasingly accepted that partnership with Craxi was the only game in town, and Forlani might well emerge as the DC leader best equipped to play it.

RESTRICTED

- 2 -

5. Bosetti gave a harsh judgement of the PSDI. They were the party of sottogoverno, and in Milan, for example, Massari was much helped by the taxi driver vote, dating from the favourable treatment that group had received from previous PSDI mayors. The Nicolazzi decree might help speculators build second or third homes in the country for the rich but would do nothing to solve the problems of inner-city housing; its clauses on sfratti were mere window-dressing.

6. We also discussed torture. Bosetti was emphatic about the firm opposition of all parties except the MSI, and of public opinion generally, to any hint of torture being applied to terrorists in prison. The Fascist experience was part of the reason. He believed Rognoni's assurance that no torture had been authorised at a political level. But it was a strange coincidence that so many terrorists had suddenly started divulging information immediately after capture; the value of this information (Savasta's had prompted 240 new arrests) and the feeling of frustration there had been in the security forces beforehand must have increased the temptation to use violence at least occasionally. Some of the evidence was hard to contradict, and Bosetti believed that at the very least a blind eye had been turned, at quite a high level within the security forces themselves.

d) A guaranteed DC President after Pertini (he said that this was surely already tacitly agreed; Macchi looked doubtful and mentioned Spadolini's name);

e) Agreement on an economic programme (not specified).

Many in the DC felt that to make Craxi choose in this way was the best strategy: if he refused the conditions, the DC would have demonstrated their openness and could face elections with greater confidence; if he accepted, the DC would have made him pay a satisfactory price. De Mita, Donat Cattin, Sinaglia, and Forlani would agree to this strategy; Zaccagnini and Fanfani for different reasons would oppose it.

3. Macchi said that PSI estimates suggested that if elections were held soon, about 3% of the votes would change compared with 1972: losses would be DC 3%, PCI 3%, Radicals 2%, MSI 1%; with Spadolini Prime Minister, the PSI could hope to gain 3%, the PCI 3%, and the PSPD most of the remainder (including the MSI share). If Craxi however were Prime Minister, 3-6% might go to the PSI, a strong reputation for him to try out for the Palazzo Chigi.

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PADRE MACCHI (JESUIT), EDITOR OF "AGGIORNAMENTI SOCIALI"

1. As in October, Mr Thompson and I called on him together.
2. Macchi said that the real choice for the DC Congress was, between continuation of the Spadolini government, Craxi as Prime Minister, and anticipated elections. He thought the Congress would agree to allow Craxi a spell as Prime Minister on fulfilment of certain conditions:
 - a) Withdrawal from left wing alliances in local juntas where a majority based on the DC was numerically possible;
 - b) A change of policy on IPAB (Istituti Pubblici di Assistenza e Beneficenza). These had been partly nationalised by Andreotti's government in 1978, under PCI pressure, the exception being those institutions dedicated to religious or educational purposes. They were of great importance to the Church. It would be difficult for the PSI, for ideological reasons, to agree to any return to private ownership and control;
 - c) Guaranteed return of a DC nominee to Palazzo Chigi after Craxi;
 - d) A guaranteed DC President after Pertini (we said that this was surely already tacitly agreed: Macchi looked doubtful and mentioned Spadolini's name);
 - e) Agreement on an economic programme (not specified).

Many in the DC felt that to make Craxi choose in this way was the best strategy: if he refused the conditions, the DC would have demonstrated their openness and could face elections with greater confidence; if he accepted, the DC would have made him pay a satisfactory price. De Mita, Donat Cattin, Bisaglia, and Forlani would agree to this strategy; Zaccagnini and Fanfani for different reasons would oppose it.

3. Macchi said that PSI estimates suggested that if elections were held soon, about 8% of the votes would change compared with 1979: losses would be DC 3%, PCI 2%, Radicals 2%, MSI 1%; with Spadolini Prime Minister, the PRI could hope to gain 3%, the PSI 3%, and the PSDI most of the remainder (including the MSI share). If Craxi however were Prime Minister, 5-6% might go to the PSI, a strong temptation for him to try now for the Palazzo Chigi.

4. On the DC Congress, Macchi said the presence of the esterni would increase the pressure for real reform; the left would be strengthened; Rognoni, for example, enjoyed the support of the Lega Democratica. The opinion of people like Pedrazzi, although he would not attend the Congress, should not be underestimated. Macchi said that the direct election of the Secretary did not please any of the capi storici, but was very popular with ordinary delegates. There was a possibility that the Congress would decide to revert back to the old system (very improbable in my view). Macchi thought the correnti would survive, but their leaders would have a reduced role and in time the political distinctions between them would become more important. The reduction of their numbers was a step forward. In distributing party posts etc., the Manuale Cencelli would henceforth not be rigorously followed; but some arithmetical balancing, if only between different regions of Italy, would always be necessary.

5. We also discussed DC financing. Macchi said there had been a move towards less central control, and that the provincial organisations could now for example keep a proportion of the income from tessere for local expenditure. The secret funding of the party and its correnti was a mystery which he did not understand.

MEDRI, PRI REGIONAL SECRETARY

1. Medri said that Spadolini had maintained his close personal links to the north of Italy, especially Lombardy, and had demonstrated phenomenal stamina. His performance as Prime Minister was certain to bring the PRI substantial gains in the next elections, and the longer he survived, the greater the benefits would be; he would never misuse his position, and if his coalition partners contrived to block progress he would have the wisdom to resign rather than see his image of efficiency damaged. Medri thought Spadolini would remain Prime Minister until spring 1983; stop-gaps were easier to put in than to remove.
2. Medri was scathing about the PSDI, whose opportunism was proved by their presence in every possible junta. Piccoli was right to insist that they (and the PSI) clarify their policies on alliances at local government level. Young PSDI people wanted the party to be more ideologically committed; the difficulty was that its strength so often depended on clientelismo, eg. in Milan where the party was dominated by Massari (one of Longo's Vice Secretaries).
3. On the PCI, Medri said the shock waves were still being felt in Milan after the break with Moscow and the PCI's harsh judgement of socialismo reale. The base felt confused and no longer knew where the PCI should look for its friends abroad; Berlinguer's idea of closer alignment with all Socialist forces in Western Europe could not replace the direct support and re-assurance from the East expressed in innumerable ways since the war. Younger PCI people were just as anxious as their elders, fearing that the only alternative to close links was subordination to US interests.
4. Finally, Medri said his PSI colleagues in Milan had admitted openly in January/February that Craxi wanted to provoke elections but could not find a suitable theme to do so. They were now resigned to waiting until the autumn. The PSI and the PSDI, in Milan and nationally, worked in tandem; Craxi gave Longo a certain amount of space but insisted on loyal support; Longo's reward would come when Craxi became Prime Minister.

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NADIR TEDESCHI, DC PROVINCIAL SECRETARY

1. Tedeschi was even more violently anti-Craxi than when I saw him last October. In his view, the DC Congress should agree on a series of conditions to put to Craxi, on fulfillment of which the DC would let him become Prime Minister; these conditions should be sufficiently stiff to put Craxi into severe difficulties with his party if he accepted them. The main one must concern junta policy, on which the PSI had for too long been allowed to run with the hare and the hounds simultaneously, thus damaging the DC. The DC's ultimate threat should be that if Craxi continued to operate inconsistent policies at local and national level, then the DC would do likewise, seeking a historic compromise to eclipse the PSI in a major city or region.

2. I asked whether this last point was not just a way of re-introducing the fundamental issue of DC/PCI relations (Tedeschi is Area Zac). Tedeschi admitted this, and gave me the usual speech about the immorality of governing Italy forever without the active involvement of a party with mass support, especially among the industrial working class. With the PCI in their present mood prospects for the Area Zac at the Congress were limited, but it would nevertheless be salutary to remind Craxi that he was not the only ally to whom the DC could turn in the long term. Craxi's fundamental aim was to reduce the DC and PCI to a point where the lay bloc could ally with either on equal terms; this dream was far away, not least because the lay bloc itself was not solidly behind Craxi and might fall apart if he sought to lead it further left. Nevertheless, neither the DC nor the PCI underestimated the risks to them if Craxi had even partial success in this enterprise.

3. I asked who the best DC Secretary would be to oppose Craxi over the next three years. Tedeschi said bitterly that Forlani was too weak and too favourable to the PSI; Piccoli was the strong man whom the party needed and had gained greatly in prestige since last summer, not least for having guided the party through the November Assembly. Fanfani, Donat Cattin, and many on the left would back Piccoli; the great obstacle was that his re-election might not serve as a symbol of renewal - although renewal should not be confused with change (sic).

4. Finally, we discussed the DC's appeal in Milan, especially to the young. Tedeschi's view was that the DC would not lose any more votes in Lombardy and might regain some ground if the Congress went well. Their share of the young electorate was satisfactory, and although membership of the DC youth organisation was down the degree of involvement was increasing. Predictions that new voters would desert the DC had been proved wrong in 1976 and 1979.

PANNELLA, RADICAL PARTY

1. I had a long talk with Pannella while he was waiting to speak at the PSDI Congress on 27 March. It is interesting that he had no notes and did not decide until the last minute what subjects he would cover in his speech; he had told me that P2 was a possible topic but in the end avoided it and indeed anything else which might have been badly received by the delegates. His main concern was that he should speak at a time calculated best to catch the attention of the press and (especially) TV.
2. On hunger in the world, Pannella had great hopes of the Easter Sunday march. As on most issues the Radicals had to appeal direct to the conscience or good sense of the Italian people, by-passing the established parties with their vested interests. The PSDI were hopeless in this respect. Spadolini had shown rather more imagination, and might be prepared to support new initiatives which were desperately needed. The linkage to reduced defence spending had been a successful tactic to increase support among young people for the Radicals' ideas.
3. We discussed the recent split in the Radical Party. Pannella took the line that the Radicals were a movement and could not be analysed in terms of factions, splits, etc. When the time came they would all put their weight behind specific issues, and the Radical vote would hold up in general elections; local elections were more difficult, because of the Radicals' lack of structure, finance, and formal membership.
4. Pannella was interested in Mr Jenkins' success at Hillhead, which he had studied carefully. He was concerned that the SDP was now pitching its appeal more to the right, faced with the need to steal more votes from the Conservative Party. I asked about Radical contacts with British politicians; Pannella said that there were of course no formal links, but that for him the European Parliament was a useful meeting place. The Radicals had no-one who specialised in foreign affairs.
5. Pannella's speech to the Congress was as rhetorically brilliant as always and designed to win their sympathy. But as two o'clock approached, his exhortations about famine could not compete with the attractions of lunch for many of the delegates.