4R 1030 CONFIDENTIAL COUF I DE UT LAL FM ROME 281550Z JUN TO IMMEDIATE FCO TELNO. 304 OF 28 JUNE 1983 INFO PRIORITY EC POSTS, WASHINGTON, MOSCOW, UNDEL INFO ROUTINE MADRID LISBON INFO SAVING HOLY SEE, CONSULAR POSTS IN ITALY - (7 MY TELNO, 303: ITALIAN GENERAL ELECTIONS 1. THE DRAMATIC DECLINE OF OVER 5 PC IN THE DC VOTE IS THE KEY TO

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ADVANCE COPY: SIR B HAYES, DTI

AUVANCED AS REQUESTED

FCO | WH

PRS 230 UNCLASSIFIED DECKAY 280900Z FROM ROME 290800Z JUN 83 TO IMMEDIATE FCO TELNO 303 OF 23 JUN

INFO PRIORITY EC POSTS, WASHINGTON MOSCOW UKDEL NATO

THEO ROUTINE MADRID AND LISBON

SAVING TO CONSULAR POSTS IN ITALY AND HOLY SEE (ACTIONED)

MYTELNO 300(NOTALL) : ITALIAN GENERAL ELECTIONS

1. THE RESULT OF THE ELECTIONS FOR THE CHAMBER OF DEPUTIES ARE AS FOLLOWS (WITH 1979 FIGURES IN BRACKETS FOR COMPARISON).

CHRISTIAN DEMOCRATS (DC) .	32.9 (38.3) %	225 (262)	SEATS
COMMUNISTS (PCI)	29.9 (30.4) 3	198 (191)	SEATS
SOCIALISTS (PSI)	11.4 (9.3) %	73 (62)	SEATS
SOCIAL DEMOCRATS (PSDI) .	4.1 (3.8) %	23 (20)	SEATS
REPUBLICANS (PRI) +	5.1 (3) %	29 (16)	SEATS
LIBERALS (PLI) .	2.9 (1.9) 3	16 (9)	SEATS
NEO-FACISTS (MSI/DN)	6.8 (5.3) %	42 (30)	SEATS
RADICALS (PR)	2.2 (3.5) 3	11 (13)	SEATS
PROLETARIAN DEMOCRACY			
(EXTREME LEFT) (DP)	1.5 (9.8) %	7 (-)	SEATS
OTHERS	3.2 (3.2) %	6 (22)	SEATS

<sup>2.</sup> SENATE RESULTS ARE VERY SIMILAR, ALTHOUGH THE PC: DID SLIGHTLY SETTER (30.0%).

STANDARD
WED
ECD(I)
CAGINET OFFICE

COPYES SENT TO No. 10 DOWNING STREET

<sup>3.</sup> THE TURNOUT WAS LOW BY ITALIAN STANDARDS: 89%, COMPARED WITH 90.6% IN 1979.

<sup>4.</sup> FULL STATISTICS FOLLOW BY BAG, AND COMMENT BY TELEGRAM.

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FM ROME 3006007 JUN

TELNO. 307 OF 30 JUN 63

INFO SAVING HOLY SEE, COMSULAR POSTS IN ITALY

3 O .IIIN 1983 INFO SAVING EC POSTS, WASHINGTON, UKBEL NATO, MOSCOW, MADRID.

010

(La MY TELNO. 304: ITALIAN GENERAL ELECTION RESULTS

1. REACTIONS BOTH FROM POLITICAL LEADERS AND FROM THE PRESS HAVE NATURALLY DEPENDED ON THEIR POLITICAL PREFERENCES. THE INFS-CAPABLE FACT FOR ALL WAS THE SET-BACK OF THE DC. MOST PEOPLE EXPECT THAT THE NEXT ITLAIAN GOVERNMENT WILL BE A FIVE PARTY COALITION OF DC. PSI. SOCIAL DEMOCRATS (PSDI). REPUBLICAN (PRI) AND LIBERALS (PLI).

DE MITA (DC) WAS CLEARLY VERY MUCH SHAKEN BY HIS PARTY'S POOR SHOWING, HE CLAIMS THAT THE DC'S TACTICS WERE DECIDED COLLE-CTIVELY, AND IS THUS TRYING TO SHARE THE BLAME, HE HAS SPECULATED THAT HE HAD NOT HAD ENOUGH TIME TO EXPLAIN TO THE ELECTORATE HOW THE DC NEEDED MODERNISING TO FACE UP TO ITALY'S PRESENT DIFFICUL-TIES. HE HAS COMMENTED THAT THE DC WILL NO LONGER BE SOLELY RESPO-NSIBLE FOR MANAGING ITALY'S FUTURE. THROUGH THEIR PAPER (IL POPOLO). THE DC HAVE POINTED OUT THAT ITALY'S ECONOMIC PROBLEMS REMAIN GRAVE AND HAVE CALLED FOR AGREEMENT ON A PROGRAMME TO DEAL WITH THEM. THIS AGREEMENT WOULD PRESUMABLY INVOLVE THE POTENTIAL MEMBERS OF A FIVE PARTY COALITION.

3. CRAXI (PSI) HAS DESCRIBED THE RESULT AS A VICTORY FOR THE PSI. AND CLAIMED THAT HIS PARTY HAD GAINED VOTES AND HAD THWARTED DE MITA'S PLAN TO IMPOSE A CONSERVATIVE SOLUTION TO ITALY'S PROBLEMS. THE PSI HAS RESERVED ITS POSITION ON FUTURE COALITION ARRANGEMENTS. THE PARTY'S LEADERSHIP WILL MEET SHORTLY TO CONSIDER WHAT TO DO.

4. SPADOLINI (PRI) IS DELIGHETED WITH HIS PARTY'S PERFORMANCE, HE HAS CALLED FOR A FIVE-PARTY MEETING TO DISCUSS FUTURE POLICY. PROBLEMS WHOULD NOT BE PUT OFF UNTIL AFTER THE SUMMER.

5. BERLINGUER AND THE POI ARE PLEASED WITH THE RESULTS, ESPE-CIALLY AS THEY WERE EXPECTING TO LOSE MANY MORE VOTES THAN THEY DID. HE CLAIMED THAT THE LEFT IN ITALY HAS EMERGED STRENGTHENED FROM THE ELECTIONS. NO-ONE BELIEVES THAT A POI/LAY PARTY COALITION IS A REAL POSSIBILITY FOR THE FORESEEABLE FUTURE.

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- 6. THE MON-PARTY PRESS PEACTED WITH UKARMMOUS SUPPRISE TO THE DECLINE IN THE DO YOTE, FROM LA REPUBBLICA ON THE LEFT TO ILL GLORMALE MUOVO ON THE RIGHT, THERE ARE WIBESPREAD REFERENCES TO THE "COLLARSE" OF THE DC. SOME SPECULTATE THAT DE MITA MAY PAY THE PRICE AND DE FONCED TO RESIGN. EXPLANATIONS FOR THE DC DECLINE VARY. IL GLORMALE MUOVO ECHOES DE MITA'S POINT ABOUT HIS ATTEMPT TO CHANGE THE MATURE OF THE PARTY AWAY FROM A TRADITIONAL OLIENT—ELIST ORGANISATION: SOME OF THE PARTY'S TRADITIONAL VOITES MAY HAVE BEEN PRICHTEMED AWAY BY THE THE CHANGES. OTHERS SEE THE VOTE AS A PROTEST AGAINST THE DC'S COMPLACENCY AND POOR MORAL RECORD. THE INCREASE IN VOTES FOR THE MSI (NEO-FASCISTS) AND IN ABSTEUTIONS IS ALSO SAID TO BE A SIGN THAT THE ELECORATE SEED WITH THE TRADITIONAL VOITES FOR THE MSI (NEO-FASCISTS) AND IN ABSTEUTIONS IS ALSO SAID TO BE A SIGN THAT THE ELECORATE
- 7. THE LEFT WING PRESS IS PLEASED WITH THE PCI'S STABILITY. LA STAMPA (INDEPENDENT CENTRE) POINTS OUT, ON THE OTHER MAND, THAT THE PCI DID NOT GAIN VOTES, EVEN THOUGH THE DC WAS IN GRAVE DIFFICULTIES.
- S. THERE IS SOME TALK OF SPADOLINI AS A POSSIBLE MON-EC PRIME
  MINISTER, BUT IT IS REALLY TOO SOON EVEN FOR THE ITALIAN PRESS TO
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  DISSERSION IN IT HE PRE-LECTION GOVERNMENT REMAIN UNSOLVED.
- 9. FCO PLEASE PASS SAVINGS ADDRESSEES EXCEPT HOLY SEE AND CONSULAR POSTS IN ITALY.

BRIDGES

(REPEATED AS REQUESTED)

FCO/WHITEHALL WED

POINTS TO MAKE

CABINET 30 JUNE:

LALIAN GENERAL ELECTION

CASINET SO JUNE:

CASIN

POINTS TO MAKE.

- (i) Final election results do not reveal as big a change in voting patterns as early predictions suggested. Nevertheless major setback for Christian Democrats. Italian electorate distillusioned with entrenched political privilege.
- (ii) Too early to predict shape of future Government, but renewed centre-left coalition likely, with Spadolini's Republicans participating again.
- (iii) Although a leftist, Communist-dominated coalition theoretically possible, political observers discount it. Socialists, vital to such a coalition, are opposed.
- (iv) Coalition negotiations will be difficult. New government may not be installed before September.
- (v) Assuming a renewed centre-left coalition, no reason to suppose major changes in Italian foreign or defence policies, including INF and Community. Uncertainty on the Italian political scene will inhibit their taking initiatives over the Falklands.



CONFIDENTIAL

FM ROME 281550Z JUN TO IMMEDIATE FCO TELNO. 304 OF 28 JUNE 1983

4R 1030

COMFIDENTIAL

INFO PRIORITY EC POSTS, WASHINGTON, MOSCOW, UKDEL NATO, INFO ROUTINE MADRID, LISBON

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ADVANCE COPY: SIR B HAYES, DTI

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#### BACKGROUND NOTE

- 1. Christian Democrats' (DC) share of vote dropped by over 5%. Communists share held steady. Socialists, who precipitated Election, increased their share by 1.5% but fared less well than they expected. Smaller 'lay' Parties gained, most significantly Republican Party of former Prime Minister Giovanni Spadolini which almost doubled its representation in Chamber of Deputies. Neo-Fascists vote rose by over 25%, but they will remain a marginal force. Full breakdown of voting figures in attached telegram.
- 2. The vote appears at first sight to reflect public disenchantment with DC privilege and inefficiency. Formation of a new coalition will be difficult and will take time. The DC will not be able to dictate terms. But they remain the major political force, and most likely outcome is a coalition of DC, Socialists and lay Parties on lines of previous Governments.
- 3. The Communists could in theory try to form a left-wing coalition. But the Socialists ruled out a coalition with them during the campaign, and fear PCI domination. With the Communists remaining in opposition, there is unlikely to be any significant effect on Italian Policies on INF (not an issue in the campaign) or the European Community.