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FI ROME 281540Z MAR

TO IMMEDIATE FCO

TELEGRAM NUMBER 135 OF 28 MARCH 1979.

INFO SAVING TO WASHINGTON, UKDEL NATO, UKREP BRUSSELS, AND OTHER
EEC POSTS.

(22)
MY TELNO 130: ITALIAN POLITICAL SITUATION

- 1. DESPITE THE SUDDEN DEATH OF UGO LA MALFA THE TIMETABLE FOR THE PRESENTATION OF ANDREOTTI'S NEW 3-PARTY GOVERNMENT IS GOING AHEAD AS PLANNED. THE LIST OF UNDER-SECRETARIES (JUNIOR MINISTERS) IS DUE TO BE ANNOUNCED THIS EVENING, 28 MARCH. IT IS EXPEKTED THAT ANDREOTTI HIMSELF WILL FOR THE TIME BEING ASSUME LA MALFA'S PORTFOLIO (DEPUTY PRIME MINISTER AND BUDGET) AT LEAST UNTIL IT IS KNOWN WHETHER THE GOVERNMENT WILL LAST.
- 2. ANDREOTTI WILL OPEN A CONFIDENCE DEBATE ON THE NEW GOVERNMENT IN THE SENATE ON 29 MARCH. THE VOTE IN THE SENATE IS EXPECTED TO TAKE PLACE SOMETIME ON SATURDAY 31 MARCH. IF THE RESULT IS A CLEAR DEFEAT THERE WILL BE NO NEED FOR A FURTHER DEBATE IN THE LOWER HOUSE. IF HOWEVER THE GOVERNMENT SCRAPES THROUGH IN THE SENATE OR IF THE RESULT IS AMBIGUOUS (EG IF THE MOTION IS CARRIED ONLY WITH THE DETERMINING VOTES OF THE RIGHT WING NATIONAL DEMOCRATS, WHICH THE GOVERNMENT WILL PROBABLY NOT ACCEPT) THERE WILL THEN BE A FURTHER DEBATE IN THE CHAMBER OF DEPUTIES WITH A VOTE PROBABLY TAKING PLACE ON 2 APRIL.
- 3. THE GENERAL ASSUMPTION NOW IS THAT IN THE CHAMBER, AT LEAST, THE VOTE WILL BE LOST, AND IT WILL THEN REMAIN ONLY FOR ANDREOTTI TO HAND IN HIS RESIGNATION AGAIN AND FOR PRESIDENT PERTINI TO DISSOLVE PARLIAMENT AND CALL EARLY

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ELECTIONS (WHICH WOULD ALMOST CERTAINLY BE COUPLED WITH THE EUROPEAN ELECTIONS ON 10 JUNE). IN THESE CIRCUMSTANCES THE NEW ANDREOTTI GOVERNMENT WOULD MERELY SERVE AS A CARETAKER UNTIL THE ELECTIONS. AS ALWAYS, HOWEVER, IN ITALY THERE IS AN ELEMENT OF UNCERTAINTY TO THE LAST, AND UNTIL THE DECISIVE WOTE HAS OCCURED ONE CANNOT ALTOGETHER DISCOUNT THE POSSIBILITY THAT THE NEW GOVERNMENT WILL SURVIVE.

- 4. BARRING UNFORESEEABLE DEVELOPMENTS I WILL NOT REPORT FURTHER UNTIL EARLY NEXT WEEK AFTER THE VOTE(S) OF CONFIDENCE.
- 5. FCO PLEASE PASS SAVING ADDRESSEES.

CAMPBELL.

[REPEATED AS REQUESTED]

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