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GP. S750 FIDENTIAL FM ROME 140700Z AUG 79 TO IMMEDIATE FCO



IMFO SAVING WASHINGTON, UKDEL NATO, UKREP BRUSSELS, ALL OTHER EEC POSTS.

MY TELNO 313# ITALIAN POLITICAL SITUATION,

- 1. SIGNOR COSSIGA DULY PRESENTED HIS GOVERNMENT'S PROGRAMME TO PARLIAMENT ON 9 AUGUST AND RECEIVED THE EXPECTED VOTE OF CONFIDENCE IN THE CHAMBER OF DEPUTIES AND THE SENATE ON 11 AND 12 AUGUST RESPECTIVELY. ITALY THUS NOW HAS A GOVERNMENT WITH A MAJORITY IN PARLIAMENT FOR THE FIRST TIME SINCE THE RESIGNATION OF ANDREOTTI'S. FOURTH GOVERNMENT AT THE END OF JANUARY.
- 2. THE VOTING FIGURES IN THE CHAMBER WERE 287 IN FAVOUR (CHRISTIAN DEMOCRATS, SOCIAL DEMOCRATS AND LIBERALS - 1E THE 3 PARTIES MAKING UP THE GOVERNMENT), 242 AGAINST (COMMUNISTS: INDEPENDENT LEFT. RADICALS AND NEO-FASCISTS) WITH 65 ABSTENTIONS (SOCIALISTS AND REPUBLICANS). IN THE SENATE THE FIGURES WERE 153 IN FAVOUR, 118 AGAINST, WITH THE SOCIALISTS AND REPUBLICANS NOT VOTING (WHICH IS THE NORMAL WAY OF EXPRESSING ABSTENTION IN THE SENATE).
- 3. THE DEBATES TOOK PLACE IN A LOW-KEY ATMOSPHERE SINGE THE CUTCOME WAS A FOREGONE CONCLUSION, FOLLOWING THE SOCIALISTS' ADVANCE PROMISE OF ABSTENTION WHICH HAD ALLOWED THE GOVERNMENT TO BE FORMED. THE GOVERNMENT'S MAJORITY WOULD HAVE BEEN LARGER IF THE REPUBLICANS (WHO HAVE 16 DEPUTIES IN THE CHAMBER) HAD BEEN PREPARED TO VOTE IN ITS FAVOUR. BUT IN THE EVENT THE REPUBLICANS REFUSED TO SUPPORT WHAT THEY DESCRIBED AS A POCOLOURLESS AND WEAK ?? GOVERNMENT AND THEY JOINED THE SOCIALISTS IN ABSTAINING.

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THE PROGRAMME WHICH COSSIGNA PRESENTED TO PARLIAMENT CONTAINED NO SURPRISES APART FROM ITS LENGTH. RATHER THAN CONFINING HIMSELF TO CERTAINMWIMITED AREAS OF ACTION (AS MANY HAD EXPECTED) HE CHOSE TO PUT FORWARD A COMPREHENSIVE PROGRAMMOF FOR PAGES COVERING ALL AREAS OF GOVERNMENT ACTIVITY. THE MAIN EMPHASIS WAS ON THE FIGHT AGAINST TERRORISM AND ON ACTION TO HELP THE ECONOMY. AMONG THE DETAILED POINTS WERE:

(A) TERRORISM.

COSSIGA REFERRED TO THE ENCOURAGING RESULTS WHICH HAD ALREADY
DEEN ACHIEVED IN THE ANTI-TERRORIST CAMPAIGN AND PROMISED THAT THE
CAMPAIGN WOULD BE VIGOROUSLY PURSUED. THIS WOULD BE DONE
BY THE APPLICATION OF EXISTING LAWS, NOT BY INTRODUCING NEW
ANTI-TERRORIST MEASURES. PRIORITY WOULD BE GIVEN TO RE-EQUIPMENT
AND REFORM OF THE POLICE.

(B) THE ECONOMY.

THE MAIN THEMES (DETAILS TO FOLLOW BY BAG) WERE ENERGY (AN APPEAL TO THE PARTIES FOR SOLIDARITY IN TACKLING THE PROBLEMS POSED BY THE ENERGY DEFICIT), THE BATTLE AGAINST INFLATION, AND INCREASED FENALTIES FOR FISCAL EVASION.

(C) THE ARMED FORCES.

THE SPECIAL FUNDING LAWS FOR RE-EQUIPMENT OF ALL THREE SERVICES WILL BE FULLY ACTUATED IN ORDER TO ENSURE "AN ACCEPTABLE LEVEL OF PARTICIPATION IN NATO DEFENCE PROGRAMMES".

(D) FOREIGN POLICY.

CONTINUING ACTION FOR PEACE AND SECURITY WITHIN THE FRAMEWORK
OF THE ATLANTIC ALLIANCE. DISARMAMENT INITIATIVES TO BE
PURSUED. (PASSAGES ON EUROPEAN COMMUNITY POLICY ARE BEING SENT
SEPARATELY BY BAG TO CERTAIN ADDRESSEES).

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CONTRACTOR

COSSIGA'S PROGRAMME WAS RECEIVED WITHOUT MUCH ENTHUSIASM,
EVEN FROM THE GOVERNMENT'S SUPPORTERS. THE SOCIALISTS DESCRIBED
IT AS 'ROUTINE', AND MADE CLEAR THAT THEY WERE ONLY GRUDGINGLY
GIVING THEIR ABSTENTION. OF THE GOVERNMENT'S OPPONENTS,
EXTREMINED THAT THEIR OPPOSITION WOULD BE CONSTRUCTIVE.
THE RADICAL PARTY WERE MORE OPENLY HOSTILE AND ATTEMPTED TO BLOCK
THE VOTE OF CONFIDENCE THROUGH FILIBUSTERING BY THEIR 18 DEPUTIES.
ALTHOUGH THE ATTEMPT FAILED, THE RADICALS HAVE SHOWN THAT THEY
ARE NOW NUMEROUS ENOUGH TO CAUSE THE GOVERNMENT SERIOUS TROUBLE
WITH ITS LEGISLATIVE PROGRAMME.

G. DESPITE THE VOTE OF CONFIDENCE, THE FEELING HERE IS STILL
THAT SIGNOR COSSIGA'S GOVERNMENT WILL PROBABLY BE NO MORE THAN A
STOP-GAP UNTIL THE CHRISTIAN DEMOCRAT CONGRESS AROUND THE END OF
THE YEAR (PARA 6 OF MY TUR). FOR THE TIME BEING THE SOCIALISTS
HAVE SHOWN THAT THEY ARE PREPARED TO KEEP IT IN BEING, AND THE
ITALIANS CAN NOW AT LEAST GO AWAY FOR THEIR AUGUST SUMMER BREAK
LEAVING A PROPERLY CONSTITUTED GOVERNMENT IN CHARGE. BUT THE
GRUDGING WAY IN WHICH THE SOCIALIST ABSTENTION WAS GRANTED
DEMONSTRATES THE TEMPORARY CHARACTER OF THIS ARRANGEMENT.
COSSIGA HAS MADE CLEAR THAT HE IS GOING TO SUBMIT ALL IMPORTANT
ISSUES TO PARLIAMENT, AND IF THE SOCIALISTS SENSE THAT THE CHRISTIAN
DEMOCRATS ARE MOVING TOWARDS A DIFFERENT RELATIONSHIP WITH THEM
THEY WILL HAVE MANY OPPORTUNITIES OF BRINGING THE GOVERNMENT
DOWN. MOREOVER, THE UNDERLYING PROBLEM OF SECURING A CLOSER
RELATIONSHIP BETWEEN THE CHRISTIAN DEMOCRATS AND THE SOCIALISTS,
ON WHICH A STABLER GOVERNMENT MIGHT BE BASED, IS UNSOLVED.
IT REMAINS TO BE SEEN WHETHER THE CHRISTIAN DEMOCRAT CONGRESS WILL
SUCCESSFULLY GRASP THE NETTLE.

7. FCO PLEASE PASS TO ALL SAVING ADDRESSEES.

GOODISON [REPEATED AS REQUESTED]

FCO | WH DISTN

TO PRIORITY ROME
TELEGRAM NUMBER 141 OF 13 AUGUST 1979

YOUR TELNO 3131 NEW ITALIAN GOVERNMENT OF THE MESSAGES OF CONGRATULATION

- 1. SUBJECT TO A FAVOURABLE OUTCOME OF THE VOTE OF CONFIDENCE ON
- 11 AUGUST PLEASE CONVEY THE FOLLOWING MESSAGES.
- (A) FROM THE PRIME MINISTER TO SIGNOR COSSIGA:

 QUOTE. I SEND YOU MY WARM CONGRATULATIONS ON YOUR APPOINTMENT
 AS PRIME MINISTER AND MY BEST WISHES FOR THE FUTURE SUCCESS
 OF YOUR GOVERNMENT. I GREATLY LOOK FORWARD TO WORKING WITH YOU
 AND YOUR GOVERNMENT TO STRENGTHEN STILL FURTHER THE CLOSE AND
 FRIENDLY RELATIONS THAT ALREADY EXIST BETWEEN US. UNQUOTE.
- (B) FROM MYSELF TO SIGNOR MALFATTI:

 QUOTE. PLEASE ACCEPT MY WARMEST CONGRATULATIONS AND BEST
 WISHES ON YOUR APPOINTMENT AS FOREIGN MINISTER.

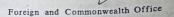
YOUR EXPERIENCE AS A FORMER PRESIDENT OF THE EEC COMMISSION WILL BE OF GREAT VALUE TO ALL YOUR COLLEAGUES IN THE COMMUNITY WHEN YOUR COUNTRY ASSUMES THE PRESIDENCY NEXT YEAR. UNQUOTE.

CARRINGTON

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13 August 1979

Mr. Wash

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NEW ITALIAN GOVERNMENT: MESSAGES OF CONGRATULATION

The Embassy at Rome have reported on the new Italian Government formed on 4 August by the new Christian Democrat Prime Minister Signor Francesco Cossiga and have recommended that the Prime Minister and the Foreign Secretary should each send a message of congratulation to their counterparts.

I enclose a copy of a draft telegram to Rome conveying messages both from Mrs Thatcher to Signor Cossiga and from Lord Carrington to Signor Malfatti and containing instructions that they be delivered subject to the result of the vote of confidence on Sunday 11 August. If you agree I shall arrange for its transmission.

Yours are

(P Lever)

B G Cartledge Esq 10 Downing Street Mr Bullayd A AUG Day to sine

DESK OFFICER ACTION TO NOVIII

Ve Secretary of State

NEW ITALIAN GOVERNMENT: MESSAGES OF CONGRATULATION

- A,B 1. Rome telegrams Nos 313 and 314 report that a new Italian Government was formed on 5 August, comprising a three-party coalition of Christian Democrats (DC), Social Democrats (PSDI) and Liberals (PLI) and led by Sr. Francesco Cossiga (DC).
 - 2. The Embassy assess that the Confidence Debate due to begin on Thursday 9 August will almost certainly result in a majority for the new Government. They recommend that messages of congratulation be sent from the Prime Minister to Sr. Cossiga, and from the Secretary of State to the new Foreign Minister Sr. Franco Malfatti, without awaiting the outcome of the vote of confidence on Sunday, 11 August.
 - 3. I agree that messages of congratulation should be prepared Sector
 - (a) they should be sent to Rome in a single telegram and
 - (b) the Embassy should deliver them only after the result of the vote of confidence is known.

I have told the Embassy that I would be recommending at at (b) and they are content. On balance, and contrary to Embassy advice in their telegram No 313, I believe that the message to Sr. Cossiga should make no reference to his cooperation as Minister of Interior with the previous British Government. This would add little of substance to the message but would complicate its handling.

/ 4. I accordingly submit a draft letter from the Private Secretary to the Private Secretary (No 10) and two copies of a draft telegram.

D A S Gladstone
Western European Department