

CONFIDENTIAL S AVING TELEGRAM

BY BAG CONFIDENTIAL TO SAVING FCO TEL NO 13 SAVING OF 31 MARCH 1980



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MY TEL NO 229 (NOT TO ALL): ITALIAN POLITICAL SITUATION

- 1. Since receiving the mandate to form a new government on 23 March, Signor Cossiga has made progress towards the creation of a three-party coalition of Christian Democrats (DC), Socialists (PSI) and Republicans (PRI). The three parties concerned have all now accepted this formula in principle, and formal discussions are starting today (31 March) on the programme for such a government. The arrangement could still fall down over the programme or the distribution of Cabinet seats. But if all goes well, Signor Cossiga could announce the formation of a new government at the end of this week.
- 2. A DC-PSI-PRI coalition would have a workable overall majority in Parliament, even if the DC's current coalition partners, the Social Democrats (PSDI) and Liberals (PLI), join the opposition in voting against the new grouping.
- 3. There is speculation that the Ministry of Foreign Affairs is one of the posts which may go to the PSI, and that in this case a likely candidate would be the current EC Commissioner Giolitti (LP notes No.52).

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THIS TELEGRAM WAS NOT ADVANCED