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WESTERN EUROPEAN

FILE No. **WR**J026/9. (Part A)

TITLE: PRIME MINISTERS VISIT TO  
ROME

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Mr Harborne

1, 2  
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Mr Nash

8.

Mr Nash

Mr Bouyer

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Mr Nash

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Mr Venckel

13.

Mr Nash

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Mr Nash

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Part A is now closed.

Please See Part B.



LAST PAPER

CRS 02614

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26 SEP 1979

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DESKBY 261830Z SEP  
FM ROME 261715Z SEP  
TO IMMEDIATE FCO  
TELEGRAM NUMBER 414 OF 26 SEPTEMBER 1979

MY TELNO <sup>SA</sup> AND TELECON VEREKER/ADAMS: PRIME MINISTER'S VISIT

1. AS FORECAST BY TELEPHONE TO WED EARLIER THIS WEEK, I CALLED ON SIGNOR COSSIGA THIS MORNING, 26 SEPTEMBER. THIS WAS MY FIRST CALL ON HIM AND HE CLEARLY WISHED TO USE IT TO DISCUSS THE PRIME MINISTER'S OFFICIAL VISIT IN SOME DETAIL, AND TO DO EVERYTHING POSSIBLE TO ENSURE THAT IT GOES WELL.

2. I WAS GRATEFUL TO HAVE ADVANCE NOTICE IN TELECON VEREKER/ADAMS THAT THE PRIME MINISTER WOULD PREFER THE LARGER DINNER FORMULA (PARAGRAPH 3 OF MY TEL UNDER REFERENCE). THIS ENABLED ME TO AGREE THE FOLLOWING PROGRAMME:-

4 OCTOBER

- (A) A TETE A TETE WITH SIGNOR COSSIGA FROM 7 TO 8 PM AT THE PALAZZO CHIGI.
- (B) 9.15 PM DINNER FOR ABOUT 30 GUESTS AT VILLA MADAMA (THIS WILL NO DOUBT BE LOUNGE SUIT FOR MEN; THE ITALIANS WILL PROBABLY EXPECT MRS THATCHER TO WEAR A LONG DRESS, THOUGH SOME ITALIAN LADIES WILL WEAR SHORT)

5 OCTOBER

LAST PAPER

- (C) 10 AM CALL ON PRESIDENT PERTINI
- (D) 11 AM TO 1 PM PLENARY TALKS
- (E) 1.15 PM WORKING LUNCH AT PALAZZO CHIGI.

CONFIDENTIAL

/ 3. SIGNOR



3. SIGNOR COSSIGA MADE A POINT OF SAYING THAT THOUGH IT WAS NORMALLY THE RESPONSIBILITY OF A JUNIOR MINISTER FROM THE MFA HE WOULD ON THIS OCCASION HIMSELF BE AT THE AIRPORT. SPECIAL ARRANGEMENTS HAD BEEN MADE TO OPEN CIAMPINO FOR THE PURPOSE.

4. WE DISCUSSED THE TETE A TETE, WHICH WOULD BE USED FOR A TOUR D'HORIZON AND WOULD COVER THE POLITICAL SITUATION AND PROVIDE AN OPPORTUNITY TO DISCUSS PRIVATELY THE MAIN ITEMS ON THE AGENDA, NAMELY COMMUNITY BUSINESS AND TNF.

5. AS REGARDS THE DINNER, COSSIGA GAVE INSTRUCTIONS THAT TIME AT TABLE SHOULD BE MINIMISED TO FREE THE MAXIMUM TIME OVER COFFEE FOR MRS THATCHER TO MEET PROMINENT ITALIANS. HE WOULD PROBABLY AIM AT ABOUT 30 GUESTS AND WOULD INCLUDE SENIOR MINISTERS, 1 OR 2 TOP INDUSTRIALISTS AND A FEW PROMINENT ITALIANS FROM E.G. THE PRESS.

6. AS FOR THE AGENDA FOR THE PLENARY TALKS WE CONFIRMED THAT IT SHOULD BE AS FOLLOWS:-

- (A) COMMUNITY BUSINESS
- (B) TNF
- (C) EAST/WEST, INCLUDING CHINA
- (D) BILATERAL, PARTICULARLY SECURITY AND TERRORISM
- (E) ENERGY.
- (F) PANDOLFI
- (G) CERN
- (H) (IF NECESSARY) SCHILD CASE.

7. ON THESE COSSIGA CONFIRMED THAT PRIORITY SHOULD BE GIVEN TO COMMUNITY AFFAIRS, THOUGH HE WAS GLAD THAT WE HAD PUT TNF ON THE AGENDA AS IT WAS VERY IMPORTANT. I SUGGESTED ADDING CHINA TO EAST/WEST AND HE THOUGHT THIS AN EXCELLENT IDEA. IT COULD BE COMPLEMENTARY TO THE 4-POWER CONSULTATION WHICH HAD BEEN PROPOSED BEFORE THE VARIOUS PARTNERS MET THE CHINESE.



8. ON SECURITY AND TERRORISM HE SAID IT WAS IMPORTANT TO MAINTAIN THE DIALOGUE WHICH HE HAD HAD AS MINISTER OF THE INTERIOR. HE APPRECIATED OUR HELP AND COLLABORATION AND WAS GLAD THAT HIS INTERIOR MINISTER (ROGNONI) WAS SHORTLY GOING TO LONDON.

9. I SAID THAT IF THE SCHILD CASE HAD NOT BEEN SOLVED BY THEN THE PRIME MINISTER MIGHT REFER TO IT. COSSIGA SAID THAT HIS GOVERNMENTAL ATTITUDE WAS THE SAME AS OURS, NAMELY THAT ONE SHOULD NOT DEAL WITH KIDNAPPERS. I AGREED BUT OBSERVED THAT THE FAMILIES WOULD GO ON TRYING TO RECOVER THE VICTIMS BY PAYING RANSOM. COSSIGA CONCURRED BUT SAID THAT THIS WOULD, IF CONTINUED, SIMPLY CONDONE THE PRACTICE. BUT HE WAS READY TO DISCUSS THE SCHILD CASE UNDER THE BILATERAL HEADING IF NECESSARY AND WOULD HAVE AN UP TO DATE REPORT PREPARED.

10. ON ENERGY, COSSIGA WANTS SIMPLY TO DISCUSS OIL SUPPLIES IN THE ENERGY CRISIS AND HOW WE SEE THE NORTH SEA PLAYING ITS PART.

11. ON PANDOLFI (PARAGRAPH 3 OF MY TELNO 399) HE WANTED TO SPEAK TO MRS THATCHER ABOUT PANDOLFI AND THE IMF. HE WOULD ADD A FURTHER SMALL ITEM IN ORDER TO MENTION THE CANDIDATURE OF PROFESSOR ZICHICHI AT CERN WHICH ALREADY BEEN THE SUBJECT OF PRIME MINISTERIAL CORRESPONDENCE IN SIGNOR ANDREOTTI'S TIME.

12. HE WANTED TO MAKE THE MOST OF THE VISIT FOR WORK PURPOSES AND WASTE AS LITTLE TIME AS POSSIBLE. HE SUGGESTED THAT AT THE DINNER THERE SHOULD BE NO MORE THAN TOASTS, IE A TOAST TO THE QUEEN AND REPLY AND NO (NO) SPEECHES. THIS MODIFIES BERLINGUER'S ADVICE IN PARAGRAPH OF MY TELNO 486, BUT TO BE ON THE SAFE SIDE, I RECOMMEND THAT THE PRIME MINISTER HAS A FEW POINTS FOR A VERY BRIEF INFORMAL SPEECH, SINCE IN ITALY THIS CAN NEVER BE EXCLUDED.

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13. SIGNOR COSSIGA WAS VERY AFFABLE AND SAID THAT HE DID NOT MIND BEING ACCUSED BY HIS MINISTERIAL COLLEAGUES OF BEING EXCESSIVELY PRO-BRITISH SINCE IT WAS REWARDING TO WORK WITH US. HE WISHED ME WELL IN MY MISSION AND SAID THAT AS RELATIONS COULD HARDLY BE IMPROVED PERHAPS MY AIM SHOULD BE TO TRY AND MAINTAIN THEM AT THEIR HIGH LEVEL. I CONFIRMED SEPARATELY FROM BERLINGUER AFTERWARDS THAT COSSIGA WILL HAVE PARALLEL CONSULTATIONS WITH CHANCELLOR SCHMIDT AND PRESIDENT GISCARD IN THAT ORDER, AND IN THEIR CAPITALS, BEFORE THE DUBLIN COUNCIL. (MY TELNO 407 REFERS).

14. AS REGARDS THE CALL ON PRESIDENT PERTINI ON 5 OCTOBER, BERLINGUER SUGGESTED THAT AS SIGNOR MALFATTI WOULD BE PRESENT MRS THATCHER SHOULD BE ACCOMPANIED BY YOURSELF, IF YOU ACCOMPANY THE PRIME MINISTER, AND MYSELF. OBVIOUSLY HE WOULD LIKE TO KNOW AS SOON AS POSSIBLE WHETHER YOU ARE COMING. COSSIGA WAS PLEASED THAT THE PRIME MINISTER WAS COMING WITH SUCH A COMPACT PARTY AND THE ITALIANS WOULD MATCH OUR NUMBERS.

15. FCO PLEASE PASS ADVANCE COPIES TO:

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[ADVANCED AS REQUESTED]

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WR 026/9.

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INDEX	PA	Action Taken

Separate copies to:  
 Assistant Heads of  
 EID(I)  
 EESD  
 Defence Dept

VISIT BY THE PRIME MINISTER TO ROME: 4 AND 5 OCTOBER 1979

1. With reference to my commissioning minute of 20 September I now attach a copy of Sir John Hunt's reply to the PUS's "objectives" letter of 20 September. You will see that 75 copies of each brief are to be sent to the Cabinet Office to arrive not later than 1700 hours on Friday 28 September. Would you please send 10 spare copies of each brief to Mr Nash in WED (Room W65). Contributions which have been commissioned for the Bilateral Issues Brief should be sent to Mr Nash in draft. You will see that Annexes C and D to Sir J Hunt's letter contain instructions about format.

TELETYPE NUMBER 408 OF 25 SEPTEMBER

TELETYPE 408 OF 24 SEPTEMBER

25 September 1979  
 P W M Vereker  
 Western European Department  
 W62A 233 4759

cc Assistant Heads of  
 FRD  
 ESSD  
 MAED  
 Mr Fergusson  
 Mr Gladstone  
 Mr Nash

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 TO IMMEDIATE FCO  
 TELEGRAM NUMBER 408 OF 25 SEPTEMBER

23

MY TELNO 402 OF 24 SEPTEMBER:

PARA 18. LAST LINE. PLEASE READ.  
 REAL GROWTH MAY DROP TO BETWEEN 1 AND 2%.

ERROR REGRETTEED.

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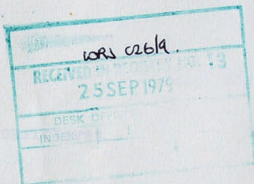
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MR WADE-GERY, CABINET OFFICE

RESTRICTED





Cabinet Office,  
Whitehall,  
London, SW1.

26th September, 1979

PS(79) 28

Dear Private Secretary,

Visit of the Prime Minister to Rome, 4th-5th October 1979

This letter sets out the briefing arrangements for the Prime Minister's visit to Rome on 4th-5th October 1979.

X The objectives for the visit, as approved by the Prime Minister, are at Annex A. The list of briefs to be prepared, with an indication of Departmental responsibility, is at Annex B. The instructions on format are at Annexes C and D.

75 copies of each brief should be sent to the Cabinet Office, 70 Whitehall, to arrive no later than 1700 hours on Friday, 28th September. They should be addressed to Mrs. Wagner in Committee Section, who should be consulted (telephone no. 233 7628) about any technical points arising.

I am sending copies of this letter to the Private Secretaries to Sir Michael Palliser, Sir Douglas Wass, Sir Frank Cooper, Sir Kenneth Clucas, Sir Peter Carey, Sir Jack Rampton, Mr Brian Hayes and to Michael Alexander (No. 10).

Yours sincerely,

(Signed) M.J. VILE

ANNEX A

BRITISH OBJECTIVES

1. Pre-eminently to obtain Italian support for UK objectives at the Dublin European Council as regards budget contributions (in return for which we shall need to take account of Italian objectives on convergence, and particularly the effect of the CAP).
2. To encourage a positive Italian attitude to TNF modernisation.
3. To establish a good working relationship between the Prime Minister and Signor Cossiga.

ITALIAN OBJECTIVES

These are likely to be:

1. To establish a cordial working relationship between Mrs Thatcher and Signor Cossiga, and to hear first-hand about HMG's economic policies.
2. To convince HMG of the need for the papers presented to the Dublin European Council to take full account of the wider economic effects of Community policies.
3. To secure HMG's support for proposals at the Dublin Council designed to secure greater receipts for Italy from Community expenditure.
4. To convince HMG that the balance between Northern and Mediterranean interests in the CAP should be redressed and that Italy deserves compensation for concessions made by the Community to other Mediterranean producers.
5. To secure support for a larger appropriation for the regional fund in the 1980 Community budget.
6. Depending on the outcome of the Energy Council (20 September) and the Tokyo Summit Energy Ministers Meeting (26 September) to press for levels of North Sea oil producing in 1980/5 higher than those implied by net self-sufficiency, so as to give Italy more flexibility in meeting her oil import targets.



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ANNEX BLIST OF BRIEFS

<u>PMVW(79)</u>		<u>Lead Department</u>	<u>In consultation with</u>
1	Steering Brief	FCO	As appropriate
2	European Community Questions		
	(a) Budget/Convergence	Treasury	FCO, Cabinet Office,
	(b) CAP	MAFF	As appropriate
	(c) Fisheries	MAFF	"
	(d) EMS	Treasury	"
3	TNF Modernisation	FCO	MOD, Cabinet Office
4	East-West Relations	FCO	As appropriate
5	Bilateral Issues (including security matters)	FCO	As appropriate
6	Energy Questions (defensive)	Energy	FCO, Treasury
7	International Financial and Economic Scene (defensive)	Treasury	
8	Internal Political and Economic Scene in Italy	FCO	



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ANNEX D

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PMVW(79) Serial No.

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Date of Production

PRIME MINISTER'S VISIT TO ROME  
4-5 OCTOBER 1979

SUBJECT / Insert subject in capitals

Brief by name of originating Department e.g. Foreign  
and Commonwealth Office

Leave 1 1/2"  
margin

At the foot of the last page:-

Department of origin e.g. Foreign and Commonwealth Office

Date of production

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CLASSIFICATION

ANNEX CINSTRUCTIONS ABOUT FORMAT

All briefs should be laid out in the same way with a top page in accordance with the specimen layout at Annex D. Those preparing briefs should note the following:-

- (a) Briefs should be concise. Each brief should if possible be no more than four sides long.
- (b) The main body of each brief should comprise two sections, a concise list of Points to Make, followed by a factual Background section which distinguishes clearly between information which can be freely used and information which should not be disclosed.
- (c) Briefs should be complete and self-contained and with all the information required on that particular subject. Briefs should not be divided into separate self-contained sub-sections.
- (d) Briefs should be typed in double spacing, using both sides of the paper. Pages should be numbered at the foot of each page.
- (e) The top page only should bear the symbol and number of the briefs in the top left-hand corner (e. g. PMVW(79) 13), with the date of production below; a copy number in the top right-hand corner; and the visit heading, the title of the brief (in capitals) and the name of the Department responsible (as in Annex D).
- (f) Briefs should bear at the foot of the last page, on the left-hand side, the name of the originating Department and the date of production.
- (g) If late developments require a brief to be amended or updated, an addendum should be prepared. It should be set out in the standard way with the brief number (e. g. PMVW(79) 13 Addendum) and title to which it relates at the top of the front page. The Private Secretary to the Secretary of the Cabinet should be informed when an addendum is in preparation.
- (h) Additions to the list of briefs in Annex B require the authorisation of the Private Secretary to the Secretary of the Cabinet.

368

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UNCLASSIFIED  
FM ROME 251100Z SEP 79  
TO IMMEDIATE FCO  
TELEGRAM NUMBER 407 OF 25 SEPTEMBER  
INFO ROUTINE BONN, PARIS, UKREP BRUSSELS.

ORJ 02619.	
SEARCHED	INDEXED
SERIALIZED	FILED
SEP 25 1979	
FBI - ROME	

MY TELEGRAM NUMBER NO 406 (NOT TO ALL).

THE PRIME MINISTER'S VISIT TO ROME. PRESS COMMENT.

1. ALTHOUGH MOST ITALIAN NEWSPAPERS OF 23 SEPTEMBER REPORTED THAT MRS THATCHER IS TO VISIT ROME NEXT WEEK, ONLY "IL POPOLO" (OFFICIAL ORGAN OF THE CHRISTIAN DEMOCRAT PARTY) CARRIED ANY COMMENT ABOUT THE VISIT.

2. THE IL POPOLO ARTICLE SAYS THAT MRS THATCHER'S VISIT TO ROME SIGNALS A RENEWAL OF ITALIAN DIPLOMATIC ACTIVITY FOLLOWING THE SUMMER BREAK AND CONSTITUTES PRIME MINISTER COSSIGA'S FIRST INTERNATIONAL MEETING.

LATER COSSIGA WILL VISIT BONN AND PARIS TO EXCHANGE VIEWS ON COMMUNITY AND INTERNATIONAL PROBLEMS WHICH ARE TO BE DISCUSSED AT THE MEETING OF EEC HEADS OF GOVERNMENT IN DUBLIN AND THE 'SUMMIT' MEETING TO BE HELD IN VENICE NEXT JUNE. IT SHOULD NOT BE FORGOTTEN THAT ITALY WILL ASSUME THE PRESIDENCY OF THE COMMUNITY FOR SIX MONTHS FROM 1 JANUARY 1980.

IT IS LIKELY THAT THE DISCUSSIONS BETWEEN COSSIGA AND MRS THATCHER, AND THOSE LATER WITH CHANCELLOR SCHMIDT AND PRESIDENT GISCARD, WILL BE ON SUCH SUBJECTS AS POLITICAL COOPERATION BETWEEN THE 'NINE', THE NEED TO CONSOLIDATE ECONOMIC CONVERGENCE BETWEEN THE ECONOMIES (ALREADY EXAMINED IN RECENT DAYS WITH THE PRESIDENT OF THE COMMISSION), THE ENERGY PROBLEM AND THE COMMUNITY BUDGET.

/ ON THESE



ON THESE QUESTIONS, IN PARTICULAR ON THE COMMUNITY BUDGET AND ON THE NEED FOR FURTHER INCREASING ECONOMIC CONVERGENCE, THE ITALIAN POSITION IS WELL KNOWN. OUR GOVERNMENT HAS STRESSED REPEATEDLY THAT RESOURCES ARE AT PRESENT CONCENTRATED ONLY IN THE CENTRAL/NORTHERN REGIONS OF THE COMMUNITY, THAT ITALY HAS TO BEAR HEAVY BURDENS FROM THE COMMUNITY LAWS WHICH REGULATE THE IMPORTATION OF CONTINENTAL PRODUCTS, AND THAT THE COMMUNITY BUDGET CONTAINS EXCESSIVE IMBALANCES SUCH AS THE MODEST ALLOCATION FOR REGIONAL AND SOCIAL POLICIES. INDEED ON THE BUDGET COSSIGA HAS ALREADY EXPRESSED ITALY'S SURPRISE AND DISSATISFACTION.

AS USUAL AT SUCH INFORMAL MEETINGS, COSSIGA AND MRS THATCHER WILL ALSO DISCUSS NON-COMMUNITY PROBLEMS AND WILL EXCHANGE VIEWS ON INTERNATIONAL AFFAIRS SUCH AS THE MIDDLE EAST, EAST WEST DETENTE AND THE CONFERENCE ON EUROPEAN SECURITY WHICH IS TO BE HELD IN MADRID NEXT YEAR.

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INDEX

Private Secretary

PRIME MINISTER'S VISIT TO ROME

1. Rome Telegram No <sup>(24)</sup>406 raises a number of questions about the programme for the Prime Minister's visit on which we need early advice from No 10. I attach a draft letter from the PS to the PS at No 10.

P W M Vereker  
Western European Department

25 September 1979

cc Mr Fergusson  
P & CD

*Mr. Cledstone*

CONFIDENTIAL / Mr. Nash - I understand Mr. [initials]  
Butler may also go to Rome.

0269

2. Mr. Hilton

3. Mr. Gladstone

Mr. [initials]

Mr. [initials]	Mr. [initials]	Mr. [initials]

Mr Fergusson  
PS/PUS

Mr. [initials]  
Mr. [initials]  
Mr. [initials]  
27/9.  
27/18

PRIME MINISTER'S VISITS TO ROME AND LUXEMBOURG:  
ACCOMPANYING OFFICIALS

A

1. In his two letters of 19 September to the Private Secretary, Mr Alexander said that he would like advice as to which two senior officials might accompany the Prime Minister to Rome on 4/5 October; and that the Prime Minister would like to have one senior official with her when she goes to Luxembourg on 18 October.

2. I attach a draft reply from the Private Secretary to the Private Secretary at 10 Downing Street covering both visits, following consultations between Mr Bullard, Mr Butler, PS/PUS and Mr Fretwell. The Private Secretary may wish to consider whether to have a word with Mr Alexander by telephone about the expediency of appearing to exclude Mr Franklin from either trip.

*D A S Gladstone*  
D A S Gladstone  
Western European Department

24 September 1979

- cc: Mr Bullard
- Mr Butler
- Mr Fretwell
- Mr Spreckley
- Mr Hilton
- Mr Nash

For what it is worth, my feeling is that Mr. Franklin should be included, i.e. with Mr. Bullard to Rome and by himself to Luxembourg. The alternative would


be Mr. Fretwell, but, since continuity will be important and it would be helpful to have the same person attending all these continuity discussions, as Mr. Franklin did for the Lyons lunch on 5 September, he has my support.

CONFIDENTIAL

*[Signature]*  
25/9

The PUS





The PUS has discussed the problem with Sir John Hunt who says that the Prime Minister had made it clear that she wishes to be accompanied to Rome by Mr Franklin of the Cabinet Office. In the circumstances the PUS thinks that it would be right that the second official should be Mr Bullard. He also thinks that we can defer decision about the Luxembourg trip for the moment. I have amended the draft accordingly.

27 September 1979

R A Burns  
PS/PUS



H M Treasury  
Parliament Street London SW1P 3AG

Switchboard 01-233 3000  
Direct Dialling 01-233 5362

cc. PRD / scan  
ESSD / PR 20/9/79  
RH  
(35)

Mr Verker  
Mr. North

WSD 24/9

Sir Anthony Rawlinson KCB  
Second Permanent Secretary  
Public Services

Pl copy to Mr Vile  
✓ copy to Mr Vile  
21/ix

Sir Michael Palliser GCMG  
Foreign and Commonwealth Office  
Downing Street  
London  
SW1A 2AE

WRB 22614

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WRB

21 September 1979

Dear Michael

VISIT BY PRIME MINISTER TO ROME: 4-5 OCTOBER

In the absence of Douglas Wass, I am replying to your letter to John Hunt of 20 September. (24)

Those concerned in the Treasury fully agree with the idea of limiting the agenda to a few key issues. In particular, we agree that discussion of international economic and energy issues is unnecessary given extensive discussions elsewhere. We are content also with the list of briefs.

Yours  
Anthony Rawlinson  
ANTHONY RAWLINSON

ERS 330

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D E S K B Y 251030Z

LRS 026/4		
5 SEP 1979		
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INDEX	PA	
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FM ROME 250930Z SEP 79

TO IMMEDIATE FCO

TELEGRAM NUMBER 406 OF 25 SEPTEMBER

FOR W E D.

YOUR TEL NO. 174. PRIME MINISTER'S VISIT

1. WE HAVE DISCUSSED THE PROGRAMME FURTHER WITH THE DIPLOMATIC ADVISER TO THE ITALIAN PRIME MINISTER ON THE BASIS OF YOUR TELEGRAM.
2. THE PRESIDENT OF THE REPUBLIC HOPES THAT MRS THATCHER WILL CALL ON HIM (SHE CALLED ON HIS PREDECESSOR IN 1977), AND I RECOMMEND ACCEPTANCE IN VIEW OF HIS CRUCIAL ROLE IN THE SELECTION OF PRIME MINISTERS.
3. WHEN WE LAST DISCUSSED THE PROGRAMME A CALL ON THE POPE WAS ENVISAGED, AND IN ACCORDANCE WITH ITALIAN PROTOCOL IT WOULD NOT HAVE BEEN APPROPRIATE FOR HER TO LUNCH AFTER THAT WITH SIGNOR COSSIGA. THE ITALIANS ARE NOW THINKING IN TERMS OF TWO MEALS, DINNER ON 4 OCTOBER AND LUNCH ON 5 OCTOBER, AND WOULD LIKE TO KNOW WHETHER MRS THATCHER WOULD PREFER TO HAVE BOTH A WORKING DINNER AND A WORKING LUNCH, OR A LARGER DINNER WHICH WOULD BRING IN A WIDER RANGE OF ITALIANS. (THEY HAVE SAID THAT SIGNOR COSSIGA WOULD BE HAPPY TO OFFER BOTH). THE LATTER MIGHT INDEED BE THE MORE ATTRACTIVE OPTION. IF ON THE OTHER HAND TWO WORKING MEALS WERE PREFERRED IT MIGHT BE MORE APPROPRIATE FOR ME TO GIVE THE LUNCHEON AT THE VILLA WOLKONSKY.

/4. THE



## 4. THE ITALIAN OUTLINE PROGRAMME IS THEREFORE:

4 OCTOBER

1715 ARRIVE, PROBABLY AT CIAMPINO (TO BE CONFIRMED).  
PROBABLY SIGNOR COSSIGA WILL BE AT THE AIRPORT.

1900 PRIVATE MEETING WITH SIGNOR COSSIGA AT HIS OFFICE.

2030 WORKING DINNER AT HIS OFFICE OR  
OR

2100 LARGER DINNER AT THE VILLA MADAMA.

5 OCTOBER

1000 PLENARY MEETING, WITH OFFICIALS PRESENT

1200 CALL ON THE PRESIDENT

1330? LUNCHEON

5. AT A WORKING MEAL THE ITALIANS WOULD NOT CONSIDER IT APPROPRIATE TO HAVE FORMAL SPEECHES FROM A PREPARED TEXT BUT THEY WOULD EXPECT A FEW VERY INFORMAL WORDS OF COURTESY TO BE SPOKEN BY EACH SIDE. A LARGER DINNER WOULD REQUIRE SOMETHING A LITTLE MORE.

6. WE RAISED THE QUESTION OF GIFTS. ALTHOUGH THE ITALIANS AGREE THAT AN EXCHANGE OF GIFTS IS NOT APPROPRIATE FOR A WORKING VISIT IT IS CLEAR THAT SIGNOR COSSIGA INTENDS TO GIVE MRS THATCHER SOMETHING WHICH HIS ADVISER HAS DESCRIBED AS VERY PERSONAL AND A SMALL COURTESY GESTURE, "JUST A THOUGHT", WITHOUT EXPECTING ANYTHING IN EXCHANGE. I SUGGEST THAT MRS THATCHER SHOULD BRING WITH HER E.G. A COFFEE TABLE BOOK.

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TELEGRAM NUMBER 402 OF 24 SEPTEMBER  
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REC-102  
24 SEP 1979

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		Action Taken

PRIME MINISTER'S VISIT TO ROME 4/5 OCTOBER

1. FOLLOWING IS BRIEF ON ITALIAN POLITICAL AND ECONOMIC SITUATION AS REQUESTED IN TELECON BONIFACE (WED) GALSWORDTHY OF 20 SEPTEMBER.

THE POLITICAL SCENE

2. FROM 1976 UNTIL JANUARY 1979 THERE WAS A PERIOD OF COMPARATIVE POLITICAL STABILITY IN ITALY DURING WHICH TWO SUCCESSIVE SINGLE-PARTY CHRISTIAN DEMOCRAT GOVERNMENTS HEADED BY SIGNOR ANDREOTTI WERE SUPPORTED FIRST BY COMMUNIST ABSTENTIONS AND LATER, FROM MARCH 1978 UNTIL JANUARY 1979, BY COMMUNIST PARTICIPATION IN A BROAD-BASED PARLIAMENTARY MAJORITY. THE COMMUNISTS WITHDREW FROM THIS MAJORITY IN JANUARY 1979, BECAUSE THEY FELT UNCOMFORTABLE IN A SITUATION WHERE THEY WERE TRAPPED INTO SUPPORTING THEIR CHRISTIAN DEMOCRAT OPPONENTS WITHOUT GAINING ANY REAL INCREASE IN POWER. THE COMMUNIST WITHDRAWAL FROM THE MAJORITY PROVOKED THE LONGEST PERIOD OF GOVERNMENT "CRISIS" IN POST-WAR ITALIAN HISTORY, WHICH WAS ONLY FINALLY RESOLVED WITH THE FORMATION OF SIGNOR COSSIGA'S GOVERNMENT IN AUGUST 1979.

3. IN THE EARLY MONTHS OF THE CRISIS ANDREOTTI ATTEMPTED TO RE-CREATE A PARLIAMENTARY MAJORITY INCLUDING THE COMMUNISTS. BUT THIS WAS OUT OF THE QUESTION ONCE THE COMMUNISTS HAD DECIDED (AND CONFIRMED THE DECISION AT THEIR CONGRESS IN MARCH-APRIL 1979) TO GO INTO OPPOSITION IF THEY COULD NOT OBTAIN SEATS IN THE GOVERNMENT (TO WHICH THE CHRISTIAN DEMOCRATS WERE RESOLUTELY OPPOSED).

WITH THE COMMUNISTS IN OPPOSITION, THE ONLY WAY OF CREATING A RESPECTABLE PARLIAMENTARY MAJORITY WAS - AND STILL IS - FOR THE CHRISTIAN DEMOCRATS TO SECURE SOME MEASURE OF SUPPORT, OR AT LEAST ABSTENTION FROM THE SOCIALISTS. THE SOCIALISTS, MANY OF WHOM STILL LOOK MORE TO THE COMMUNISTS THAN TO THE CHRISTIAN DEMOCRATS AS THEIR NATURAL ALLIES, WERE UNWILLING TO GIVE THIS SUPPORT TO ANDREOTTI.

CONFIDENTIAL

/ TO HELP



TO HELP RESOLVE THE IMPASSE ANDREOTTI AGREED IN MARCH 1979 TO HEAD A TEMPORARY CARETAKER COALITION OF CHRISTIAN DEMOCRATS, REPUBLICANS AND SOCIAL DEMOCRATS WITH NO MAJORITY IN PARLIAMENT. THE MAIN TASK OF THIS CARETAKER COALITION WAS TO ARRANGE AN EARLY GENERAL ELECTION WHICH TOOK PLACE ON 3/4 JUNE.

4. IN THE ELECTION THE COMMUNISTS LOST GROUND (FROM 34% OF THE VOTE TO 30%) FOR THE FIRST TIME SINCE THE WAR. THE CHRISTIAN DEMOCRATS (38%) STAYED ABOUT LEVEL, AND THE SOCIALISTS (17%) GAINED VERY SLIGHTLY. THE MAIN GAINS WERE REGISTERED BY THE SMALL PARTIES OF THE CENTRE (ESPECIALLY THE SOCIAL DEMOCRATS AND LIBERALS) AND THE RADICALS. THE ELECTION DID NOT MAKE THE FORMATION OF A NEW GOVERNMENT SIGNIFICANTLY EASIER SINCE, WITH THE COMMUNISTS IN OPPOSITION, SOCIALIST ABSTENTIONS WERE STILL ESSENTIAL FOR A MAJORITY. THE SOCIALIST PARTY SECRETARY, CRAXI, BLOCKED ANDREOTTI'S FINAL ATTEMPT TO FORM A GOVERNMENT IN JULY, BUT WAS THEN HIMSELF BLOCKED BY THE CHRISTIAN DEMOCRATS, THE MAJORITY OF WHOM WERE NOT PREPARED TO SEE THE PRIME MINISTERSHIP SURRENDERED TO THE SOCIALISTS (THOUGH A MINORITY OF RIGHT-WING CHRISTIAN DEMOCRATS, INCLUDING THE FORMER FOREIGN SECRETARY, FORLANI, WOULD PROBABLY HAVE BEEN PREPARED TO ALLOW CRAXI THE PRIME MINISTERSHIP AS THE PRICE OF SECURING AN ANTI-COMMUNIST CHRISTIAN DEMOCRAT - SOCIALIST ALLIANCE.
5. COSSIGA EMERGED AS SOMETHING OF A SURPRISE CHOICE IN EARLY AUGUST AFTER ANOTHER CHRISTIAN DEMOCRAT ATTEMPT, THIS TIME BY THE TREASURY MINISTER PANDOLFI, HAD FAILED AT THE LAST MINUTE (AGAIN BECAUSE OF THE SOCIALISTS). THE SOCIALISTS WERE PREPARED TO ACCEPT THE COSSIGA GOVERNMENT, WHICH IS A COALITION OF CHRISTIAN DEMOCRATS, SOCIAL DEMOCRATS, LIBERALS AND TWO INDEPENDENT "TECHNICIANS", AS SUFFICIENTLY DIFFERENT FROM ITS PREDECESSORS TO ALLOW THEM TO ABSTAIN (ALTHOUGH IN FACT MOST OF THE IMPORTANT MINISTERS, APART FROM ANDREOTTI HIMSELF AND FORLANI, REMAIN UNCHANGED). THE COMMUNISTS (AND THE FAR-LEFT AND FAR-RIGHT) VOTED AGAINST IT IN THE VOTE OF CONFIDENCE. BUT WITH THE SOCIALISTS AND REPUBLICANS ABSTAINING THIS WAS ENOUGH TO GIVE IT A MAJORITY IN THE CHAMBER OF DEPUTIES OF 287 IN FAVOUR TO 242 AGAINST, WITH 65 ABSTENTIONS.



6. THE COSSIGA GOVERNMENT IS GENERALLY REGARDED AS LITTLE MORE THAN A 'STOP-GAP'. ONCE THE POLITICAL PARTIES HAVE CLARIFIED THEIR POLITICAL RELATIONSHIPS IT IS THOUGHT THAT A MORE PERMANENT GOVERNMENT WILL BE FORMED TO REFLECT THESE NEW RELATIONSHIPS. BUT THE ONLY CONCEIVABLE NEW MAJORITY THAT CAN BE FORESEEN AT THIS STAGE IS A CHRISTIAN DEMOCRAT - SOCIALIST ALLIANCE, AND THIS IS STILL A LONG WAY OFF. THE CHRISTIAN DEMOCRATS ARE DIVIDED BETWEEN, ON THE ONE HAND, THOSE LIKE ANDREOTTI AND THE PARTY SECRETARY ZACCAGNINI, WHO WANT TO RE-ESTABLISH SOME SORT OF DIALOGUE WITH THE COMMUNISTS AND, ON THE OTHER, THOSE LIKE FANFANI (PRESIDENT OF THE SENATE), FORLANI AND THE VICE-SECRETARY, DONAT-CATTIN, WHO WOULD PREFER AN ALLIANCE WITH THE SOCIALISTS. THIS DIVISION IS LIKELY TO COME TO A HEAD AT THE CHRISTIAN DEMOCRAT PARTY CONGRESS, NOW SCHEDULED FOR NEXT JANUARY. THE SOCIALISTS MEANWHILE HAVE BEEN FLIRTING WITH THE COMMUNISTS WITH A VIEW TO SECURING COMMUNIST SUPPORT FOR SOCIALIST LEADERSHIP OF A FUTURE COALITION WHICH WOULD BRING THE COMMUNISTS OUT OF THEIR PRESENT OPPOSITION. IN THIS CONFUSED SITUATION THERE IS NO OBVIOUS ALTERNATIVE IN SIGHT, AND THE COSSIGA GOVERNMENT'S WEAKNESS IS ITS STRENGTH. WITH THE COMMUNISTS IN OPPOSITION COSSIGA HAS NOTHING TO LOSE BY BEING TOUGH SEMICOLON AND THE SOCIALISTS, WHO HAVE THE POWER TO BRING THE GOVERNMENT DOWN BY WITHDRAWING THEIR ABSTENTIONS, WILL BE RELUCTANT TO DO SO WHILE THERE IS NOTHING TO PUT IN ITS PLACE. IN THESE CIRCUMSTANCES MOST PEOPLE THINK THAT THE GOVERNMENT WILL LAST AT LEAST UNTIL AFTER THE CHRISTIAN DEMOCRAT CONGRESS, AND POSSIBLY SOMEWHAT LONGER.

~~ECONOMY~~  
THE ECONOMIC SCENE

7. THE ABSENCE OF A GOVERNMENT WITH A MAJORITY IN PARLIAMENT FROM JANUARY TO JULY HAS MEANT THAT THE ECONOMY HAS BEEN MORE OR LESS LEFT TO RUN ITSELF. FOLLOWING THE RECESSION OF 1977 AND EARLY 1978 GROWTH WAS PICKING UP WELL AT THE END OF 1978, UNDER THE STIMULI OF INCREASED DOMESTIC CONSUMER DEMAND AND A REMARKABLY SUSTAINED EXPORT PERFORMANCE. THE CURRENT ACCOUNT BALANCE OF PAYMENTS IN 1978 WAS IN SURPLUS OF 5.3 BILLION LIRE, AND FOREIGN EXCHANGE RESERVES HAD RECOVERED

DRAMATICALLY FROM THE EXTREMELY LOW LEVEL OF LATE 1976. BUT INFLATION, WHICH HAD FALLEN FROM 30% TO STABILISE AT 12% WAS ALREADY BEGINNING TO EDGE UP AGAIN, AND THE UNEMPLOYMENT FIGURES (ABOUT 7%) SHOWED NO SIGN OF IMPROVEMENT. ON THE MONETARY SIDE AN UNCONTROLLED INCREASE IN THE PUBLIC SECTOR DEFICITS HAD MADE IT IMPOSSIBLE FOR THE BANK OF ITALY TO DO MORE THAN CUSHION THE RAPID INCREASE IN THE MONEY SUPPLY, AND THAT ONLY AT THE COST OF HIGH INTEREST RATES AND SEVERE CONTROLS ON BANK LENDING.

8. THE ANDREOTTI GOVERNMENT PRODUCED IN EARLY 1979 A 3 YEAR PLAN (THE PANDOLFI PLAN), WITH A TARGET GROWTH RATE OF 4.5% IN 1979-81. ITS TWO MAJOR PLANKS WERE ZERO REAL GROWTH OF THE COST OF LABOUR AND REDUCTION OF THE SIZE OF THE EXPECTED GOVERNMENT DEFICITS. THE PLAN WAS LEFT IN MID AIR WHEN THE GOVERNMENT FELL IN JANUARY.

9. SINCE THEN INDUSTRIAL PRODUCTION HAS CONTINUED TO EXPAND SATISFACTORILY, THOUGH LATEST FIGURES INDICATE THAT IT SLOWED DOWN IN JUNE AND JULY. REAL GROWTH IN 1979 MAY BE JUST OVER 4%. THE BALANCE OF PAYMENTS SURPLUS WILL BE REDUCED IN 1979 PARTLY AS A RESULT OF OIL PRICE RISES, BUT SHOULD BE STILL COMFORTABLY IN THE BLACK. THE LIRA REMAINS VERY FIRM. BUT INFLATION IS CONTINUING TO EDGE UUUUPP AND HAS NOW PASSED 15%; THE HIGH LEVEL OF FIN INDEXATION IN THE ITALIAN ECONOMY MEANS THAT INTERNATIONAL PRICE RISES FEED THE INFLATIONARY SPIRAL VERY QUICKLY. FURTHERMORE THE IMPORTANT WAGE CONTRACTS CONCLUDED THIS YEAR ARE NOT WITHIN THE GUIDELINES OF THE PANDOLFI PLAN. ON PRESENT TRENDS THE ECONOMY IS FORECAST TO SLOW DOWN SHARPLY IN 1980. THERE ARE ALREADY SIGNS THAT UNEMPLOYMENT IS RISING AGAIN. INVESTMENT REMAINS AT A VERY LOW LEVEL.

10. THE NEW GOVERNMENT IS NOW WORKING ON AN UPDATING OF THE PANDOLFI PLAN: THE 1980 BUDGET AND GOVERNMENT FORECASTS FOR THE ECONOMY IN 1980 ARE DUE TO BE PRODUCED JUST BEFORE MRS THATCHER VISITS ITALY. THE ONLY INDICATION WHICH THE GOVERNMENT HAS GIVEN OF ITS STRATEGY IS THAT IT WILL WORK



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(BY UNSPECIFIED MEANS) FOR A HIGHER GROWTH RATE IN 1980 THAN IS AT PRESENT EXPECTED AND THAT IT WILL ATTEMPT TO STERILISE THE WAGE INDEXATION SYSTEM FROM INTERNATIONAL PRICE RISES IN RETURN FOR INCOME TAX CONCESSIONS. THERE IS LITTLE PROSPECT OF OBTAINING TRADE UNION AGREEMENT FOR THIS, AND AT PRESENT THE GOVERNMENT IS ON THE POINT OF CONCEDEDING PUBLIC SERVICE UNION DEMANDS WHICH WILL ACTUALLY INCREASE THE LEVEL OF INDEXATION. ALL IN ALL THE BEST GUESS IS THAT THIS GOVERNMENT'S POSITION IN PARLIAMENT WILL PROVE TOO FRAGILE FOR ANY VERY SERIOUS ECONOMIC MANAGEMENT, AND THAT THE ECONOMY IN 1980 WILL LARGELY TAKE ITS OWN COURSE. REAL GROWTH MAY DROP BETWEEN 1 AND 2%.

TO

ARCULUS

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 FM ROME 210945Z SEP 79  
 TO IMMEDIATE FCO  
 TELEGRAM NUMBER 400 OF 21 SEPTEMBER  
 INFO ROUTINE UKREP BRUSSELS  
 INFO-SAVING HOLY SEE

Mr Anson (No 10)  
 Mr Darroch (News Dept)  
 Sr del Bulso (Italian Embassy)  
 informed.

YOUR TELNO 172: ANGLO/ITALIAN SUMMIT PRESS COMMUNIQUE

1. TIMING AGREED.

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TELEGRAM NUMBER 399 OF 21 SEPTEMBER

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FOLLOWING FOR WED

YOUR TELNO <sup>26</sup>173: PRIME MINISTER'S VISIT TO ROME

1. DIPLOMATIC ADVISER TO THE PRIME MINISTER HAS ACCEPTED THE SUGGESTIONS IN YOUR PARA 1 FOR THE AGENDA. HOWEVER HE ADDED THAT THERE WERE TWO OTHER ISSUES WHICH SIGNOR COSSIGA WOULD WISH TO RAISE BRIEFLY WITH MRS THATCHER. HE HAD NO INTENTION OF GOING INTO DETAIL ON THEM.
2. UNDER D (BILATERAL QUESTIONS) HE WOULD WISH TO RAISE ENERGY AND NORTH SEA OIL. BERLINGUER SPOKE OF THE POSSIBILITY OF COLLABORATION IN THE NORTH SEA. WE DREW ON PARA 2 OF YOUR TUR TO MAKE IT CLEAR THAT WE DID NOT THINK THE TWO PRIME MINISTERS SHOULD SPEND TIME ON DISCUSSING ENERGY. BERLINGUER STRESSED THAT THE TOPIC WOULD BE RAISED BRIEFLY.
3. SECONDLY, HE SAID THAT PANDOLFI HAD ASKED COSSIGA TO STRESS THE IMPORTANCE WHICH ITALY ATTACHED TO PANDOLFI'S ROLE AS CHAIRMAN OF THE INTERIM COMMITTEE OF THE IMF IN SEEKING TECHNICAL MEANS TO SUPPORT THE DOLLAR. HERE AGAIN COSSIGA WOULD NOT WISH TO ENTER INTO DETAILED DISCUSSION.
4. BERLINGUER SAID HE BELIEVED THAT PRACTICALLY THE WHOLE OF THE TIME WOULD BE TAKEN UP ON A DISCUSSION OF COMMUNITY ISSUES AND NATO.

/ S. WE

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5. WE SHOULD BE VERY GRATEFUL FOR COPIES OF BRIEFS IN  
ADVANCE OF THE VISIT.

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TO IMMEDIATE ROME

TELEGRAM NUMBER 174 OF 21 SEPTEMBER

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PRIME MINISTER'S VISIT

FROM WED

1. THE PRIME MINISTER IS CONTENT WITH THE PROGRAMME OUTLINED IN YOUR TELEGRAM 391. SHE IS A LITTLE SURPRISED BY THE ITALIAN REQUEST FOR A TETE-A-TETE WITH SR COSSIGA IMMEDIATELY AFTER HER ARRIVAL (WHICH SHOULD BE PLANNED AT ABOUT 1715 HRS) BUT IS CONTENT TO FALL IN WITH SR COSSIGA'S WISHES. THE MEETING WOULD OF COURSE BE AT RISK IF THE PRIME MINISTER'S ARRIVAL WAS DELAYED FOR ANY REASON.
2. THE PRIME MINISTER IS HAPPY TO ACCEPT YOUR OFFER OF HOSPITALITY. SHE AGREES THAT THE PRESS COMMUNIQUE SHOULD ISSUE IN THE FORM PROPOSED, ON SATURDAY 22 SEPTEMBER.
3. FURTHER ADVICE WILL FOLLOW ABOUT THE OTHER MEMBERS OF THE PRIME MINISTER'S PARTY, WHO WILL TRAVEL IN TWO HS 125S.

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TO IMMEDIATE ROME

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TELEGRAM NO 172 OF 20 SEP

INFO UKREP BRUSSELS/ALL OTHER EEC POSTS

INFO SAVING HOLY SEE

WRS 026/a

REG. NO. 13

24 SEP 1979

PA

n

YOUR PARA 5 OF TELNO 391: ANGLO/ITALIAN SUMMIT PRESS COMMUNIQUE.

1. PRESS OFFICE AT NO 10 AGREE TO TEXT OF PRESS COMMUNIQUE SUGGESTED BY ITALIANS AND INTEND TO ISSUE A SIMILAR STATEMENT AT 1000HRS (LOCAL) ON SATURDAY 22 SEPTEMBER IF THE ITALIANS AGREE TO THIS TIMING.

CARRINGTON

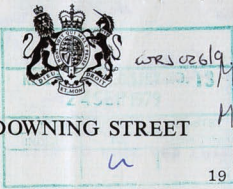
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cc News Dept  
Tel to Rome.  
I spoke to Mr. Ballard & Mr. Burns.  
Sep minute on x.  
21/9

WEI  
PS  
20/9  
PS/Land Privy Seal  
PS/PJS  
Mr Ballard  
Mr Butler  
Mr Ferguson  
From the Private Secretary  
Mr Fitzwill  
E.D.(1)



WRS 02619  
Mr Vecken  
Mr [unclear]

19 September 1979

Mr Ballard was investigating x.  
Re consult Mr. Burns

Dear Paul,

JAC  
20/9

PRIME MINISTER'S VISIT TO ROME

You sent me two letters on 18 September about the arrangements for the Prime Minister's visit to Rome on 4/5 October.

As I have told you on the telephone the Prime Minister is content that the party should travel in two HS125s.

The Prime Minister is content with the programme outlined in Rome telegram 391 of 17 September. She is a little surprised by the Italian request for a tete-a-tete with Signor Cossiga immediately after her arrival (which should be planned at about 1715 hours) but is content to fall in with Signor Cossiga's wishes. The meeting would of course be at risk if the Prime Minister's arrival is delayed for any reason. The Prime Minister is happy to accept Sir R. Arculus' offer of hospitality. She agrees that the press communique should issue, in the form proposed, on Saturday 22 September.

If the Foreign and Commonwealth Secretary is unable to make the trip because of the Constitutional Conference, and if the Lord Privy Seal is still in New York, the Prime Minister would prefer to travel without Ministerial accompaniment.

As regards the other members of the party, the list in Paul Davies' minute to you of 18 September is on the right lines. However, I do not think that it will be necessary to take a Duty Clerk from No. 10. This will make it possible to take two senior officials. I look forward to receiving your advice as to who these might be.

Yours ever

Michael Alexander

Paul Lever, Esq.,  
Foreign and Commonwealth Office.

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Reference.....

Mr Hilton  
Mr Nash  
Mr Spreckle  
Mr Fretwell

8th 21/9  
21/9

MAID(I)

W.E.)

→ [Handwritten signature]

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25 SEP 1979	
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PRIME MINISTER'S VISITS TO ROME AND LUXEMBOURG

1. Following Michael Alexander's letter of 19 September to Paul Lever, I have discussed with Mr Bullard and Mr Burns the question of who should accompany the Prime Minister to Rome and Luxembourg. I now attach a draft reply from the Private Secretary on which I would be grateful for your agreement.

[Handwritten signature]

P W M Vereker  
Western European Department

21 September 1979

cc. Mr. Bradstone etc (w/enc).

Mr. Bradstone

Submission needed. Mr. Burns has asked that this shd. be passed through him.

[Handwritten signature]

24/9.

CONFIDENTIAL

Mr Nash

WR 02619.	
RECEIVED	02 OCT 1979
WESTERN EUROPEAN DEPARTMENT	BRUSSELS

PRIME MINISTER'S VISIT TO ITALY: ROME TELNO 391 (abw)

1. Michael Alexander's letter of 19 September. I have sent a telegram covering the first three paragraphs and I am circulating a draft submission covering a point in the final sentence. This leaves the question of Ministerial accompaniment and other members of the party. Will you please pursue this and submit a follow-up telegram in due course.

P.V.

P W M Vereker  
Western European Department

21 September 1979

cc: Mr Gladstone o.r. (with enc).

Mr Vereker

The LPS only returns from  
N.Y. on 6 October. Shall I  
Draft a tel to Rome?

Rhan

24/9

Mr. Nash

Yes pl. - but first we need a full list for No. 10.  
Rhodesia Dept. say it is uncertain whether Lord C. will go -  
A lot of the LPS will.

CONFIDENTIAL

P.V.

24/9



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FM FCO. 201725Z SEP 79

TO IMMEDIATE ROME

TELEGRAM NUMBER 173 OF 20 SEPTEMBER

PRIME MINISTER'S VISIT TO ROME

FROM WED

REC'D 026/9  
 RECD... NO. 13  
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1. IT IS FOR THE ITALIANS AS HOSTS TO PROPOSE AN AGENDA. PLEASE SOUND THEM OUT ON THIS AS WE NEED TO PUT BRIEFING IN HAND IMMEDIATELY. YOU SHOULD SUGGEST THE FOLLOWING AS OUR OWN PROVISIONAL IDEAS:

A) COMMUNITY ISSUES

(i) BUDGET/CONVERGENCE

(ii) C A P

(iii) OTHER COMMUNITY ISSUES

B) T N F MODERNISATION

C) EAST/WEST RELATIONS

D) BILATERAL QUESTIONS (WE HAVE IN MIND PRINCIPALLY SECURITY ISSUES)

2. THINKING WITH THE F C O IS THAT WE SHOULD TRY IF POSSIBLE TO AVOID INCLUDING ENERGY QUESTIONS OR THE INTERNATIONAL FINANCIAL AND ECONOMIC SCENE ON THE AGENDA. WE THINK IT IMPORTANT THAT SIGNOR COSSIGA SHOULD BE ENCOURAGED TO GET DOWN STRAIGHT AWAY TO DISCUSSING THE BUDGETARY ISSUE AND THAT TIME SHOULD NOT BE TAKEN UP IN DISCUSSION OF INTERNATIONAL ECONOMIC MATTERS FIRST. IT IS RELEVANT THAT BRITISH AND ITALIAN MINISTERS ARE IN CLOSE AND REGULAR CONTACT ON THESE QUESTIONS AND THAT THE NEXT ECONOMIC SUMMIT AT VENICE NEXT YEAR WILL STILL BE SOME 9 MONTHS AHEAD. THE MEETING BETWEEN THE 2 PRIME MINISTERS WILL FOLLOW THAT OF THE TOKYO SUMMIT FOLLOW UP GROUP ON 26 SEPTEMBER AND PRECEDE THAT OF ENERGY MINISTERS ON 9 NOVEMBER. WE HAVE HOWEVER PROPOSED A DEFENSIVE BRIEF IN CASE THE ITALIANS RAISE THE QUESTION OF NATIONAL OIL IMPORT TARGETS.

3. OUR DEADLINE FOR PRODUCTION OF BRIEFS IN FINAL FORM IS LIKELY TO BE 28 SEPTEMBER AT THE LATEST.

CARRINGTON

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Mr. Nash  
Mr. Boufau

JAN

WRJ 02619

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PRIME MINISTER'S VISIT TO ITALY

We have agreed with the Italian Government to issue the following press release at 10.00 on Saturday 22 September:-

"At the invitation of the President of the Council of Ministers, Signor Cossiga, the British Prime Minister, the Rt Hon Margaret Thatcher MP, will visit Rome on 4 and 5 October. This visit is in the framework of the periodic consultations between the Heads of Government of the two countries."

BACKGROUND

The then Italian Prime Minister, Signor Andreotti, visited London on 15 June for talks and a working lunch with Mrs Thatcher. He had also visited London in November 1978 for talks with Mr Callaghan the then Prime Minister.

The last visit to Italy by a British Prime Minister was made by the Rt Hon James Callaghan MP in September 1977.

Mrs Thatcher's visit to Rome on 4/5 October is one of a series of meetings she has had with her European colleagues since taking office. (For details see visit to Luxembourg Press Notice).

---

Can you please telephone the statement plus any additional background information required, to PA (News Desk) and Reuters (London Bureau) at 10 am tomorrow (Saturday 22 September).

C.A.

CVA  
21.9.79

Separate copies to  
Assistant Heads of:

EID(I)  
EESD  
FRD  
Defence Dept  
MAED  
ESSD

WR 02619

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20 SEP 1979

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VISIT BY PRIME MINISTER TO ROME: 4-5 OCTOBER 1979

1. I attach a copy of the "objectives letter" sent by the PUS to Sir John Hunt this morning to prepare the way for the Prime Minister's forthcoming visit to Rome.

2. Time being short, departments to whom this minute is addressed will wish to put in hand the preparation of briefing (or liaise with other Departments preparing briefing, as appropriate) without waiting for Sir J Hunt's reply which on past form could take several days. Further advice on format, delivery, and any subjects that the Italians may add to the agenda will follow. Any further subjects which departments consider should be raised with the Italians at this level under the heading of "Bilateral Questions" should be telephoned or sent to the Italy Desk Officer, Ron Nash, in W65 (tel 5150) by the end of this week. *The Cabinet office deadline is likely to be not later than 28 September.*

*P. Vereker*

P W M Vereker  
Western European Department  
W62A 233 4759

20 September 1979

cc Assistant Heads of

ACDD  
CAFD  
CRD  
EAD  
EID(E)  
FED  
MCD  
MED  
NENAD  
Rhodesia Dept  
SAD  
SEAD  
SAFD  
SED  
WAD  
PCD  
SPD  
Security Dept  
Mr Willson  
Mr Tait CSCE Unit  
Mr Alston JNU  
Mr Gladstone  
Mr Vereker  
Mr Nash ✓  
*Mr. Balfour*



10RS 02619.

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02 OCT 1979

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INDEX PA \_\_\_\_\_ Taken

(24a)

Mr Gladstone (WED)

Prime Minister's visits to Rome and Luxembourg

No 10 have asked that the briefing for the Prime Minister's visit to Rome should arrive by 28 September and the briefing for her visit to Luxembourg by 12 October.

The Prime Minister would also like to know whether there are likely to be any formal speeches at the dinner in Rome: her assumption is that there will not.

Paul Laver

20 September 1979

(P Lever)

- cc: PS/LPS
- PS/PUS
- Mr Bullard
- Mr Fergusson

Message passed to  
Mr. Galwey (Rome).

*RR*  
*Mr. Bullard*

*Pr.*  
*24/9.*

*we shd. reply today if poss.*

*Pl. telephone Rome.*

*Pr.*  
*24/9*



## Foreign and Commonwealth Office

London SW1A 2AH

20 September 1979

Sir John Hunt GCB  
Cabinet Office

1000 02619		
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*Dear John,*

VISIT BY THE PRIME MINISTER TO ROME: 4-5 OCTOBER 1979

- As you know, the Prime Minister has now agreed to visit Rome for talks with Signor Cossiga on 4-5 October. It is Lord Carrington's firm intention to accompany her, subject of course to his commitments at the Rhodesia Conference. On the Italian side, besides Signor Cossiga, we expect Signor Malfatti, the Foreign Minister, to participate and perhaps Signor Pandolfi, the Treasury Minister.
- This will be the first meeting between Mrs Thatcher and the new Italian Prime Minister. Apart from establishing a cordial working relationship, our main aim will be to take full advantage of the Italian wish to maintain some sort of tactical alliance with us on Community questions, especially on the Budget, in the run up to the Dublin meeting of the European Council at the end of November (there will be a council meeting of the Finance Council on 15 October). The Italians also attach importance to enlisting our support on certain other Community issues. Our estimate of UK and likely Italian objectives is set out at Annexes A and B.
- The Italians have suggested that the Prime Minister should arrive in Rome on 4 October in time for a tete-a-tete with Signor Cossiga in the early evening, followed by an Italian Government dinner. They envisage a full meeting of the two sides on the morning of 5 October. After that the Prime Minister will lunch privately with the Ambassador before her departure.
- The Italians have not yet proposed an agenda. We suggest however that the following subjects should be proposed to them:

A Community Issues

- Budget/Convergence
- CAP
- Other Community Issues

- TNF Modernisation
- East-West Relations
- Bilateral Questions

15.



5. I attach, at Annex C, a suggested list of briefs. We have not included energy questions or the international financial and economic scene. We think it important that Signor Cossiga should be encouraged to get down straight away to discuss the budgetary issue and that time should not be taken up with a discussion of international economic matters first. British and Italian Ministers are in close and regular contact on these questions and the next Economic Summit at Venice next year will still be some 9 months ahead. The meeting between the two Prime Ministers will follow that of the Tokyo Summit follow-up group on 26 September, and precede that of Energy Ministers on 9 November. A defensive brief will be necessary in case the Italians should raise the question of national oil import targets.

6. As far as other issues are concerned we think that it would be valuable to speak to the Italians about TNF modernisation and have therefore included briefs on that and on East-West relations generally. Given the shortness of the visit we are not suggesting the inclusion of briefs on other international issues, though we can of course brief the Prime Minister if necessary on Rhodesia, in the light of developments at the Conference just before she goes.

*Two sets,*

*Michael*

Michael Palliser

Sir Douglas Wass KCB  
HM Treasury

Sir Frank Cooper GCB CMG  
MOD

B D Hayes, Esq CB  
MAFF

Sir Jack Rampton KCB  
D of Energy

Sir Peter Carey KCB  
DOI

C A Whitmore, Esq  
No 10

Sir Clive Rose KCMB  
Cabinet Office

bccs: Private Secretary  
Sir Peter Preston  
Mr Bullard  
Mr Butler  
Mr Fergusson  
Mr Gladstone  
Mr Vereker  
Mr Nash



ANNEX A

BRITISH OBJECTIVES

1. Pre-eminently to obtain Italian support for UK objectives at the Dublin European Council as regards budget contributions (in return for which we shall need to take account of Italian objectives on convergence, and particularly the effect of the CAP).
2. To encourage a positive Italian attitude to TNF modernisation.
3. To establish a good working relationship between the Prime Minister and Signor Cossiga.

## ANNEX B

## ITALIAN OBJECTIVES

These are likely to be:

1. To establish a cordial working relationship between Mrs Thatcher and Signor Cossiga, and to hear first-hand about HMG's economic policies.
2. To convince HMG of the need for the papers presented to the Dublin European Council to take full account of the wider economic effects of Community policies.
3. To secure HMG's support for proposals at the Dublin Council designed to secure greater receipts for Italy from Community expenditure.
4. To convince HMG that the balance between Northern and Mediterranean interests in the CAP should be redressed and that Italy deserves compensation for concessions made by the Community to other Mediterranean producers.
5. To secure support for a larger appropriation for the regional fund in the 1980 Community budget.
6. Depending on the outcome of the Energy Council (20 September) and the Tokyo Summit Energy Ministers Meeting (26 September) to press for levels of North Sea oil producing in 1980/5 higher than those implied by net self-sufficiency, so as to give Italy more flexibility in meeting her oil import targets.

## ANNEX C

- Sec. Dept.
1. Steering Brief WFO
  2. European Community Questions E10(1)
    - (a) Budget/Convergence
    - (b) CAP
    - (c) Fisheries
    - (d) EMS
  3. TNF Modernisation (Mod) Sec. Dept.
  4. East-West Relations EEPO
  5. Bilateral issues (including security matters) WFO, with <sup>M. Dept.</sup> Sec. Dept.
  6. Energy questions (defensive) D. Dept. (ESSO)
  7. International financial and economic scene (defensive) E. Dept.
  8. Internal political and economic scene in Italy WFO

Amici (HWS) c:

cc.

E10(1)

~~EEPO~~ Sec. Dept.

EEPO

FRD

Balance

M. Dept.

Security Dept.

ESSO



Edmund

Private Secretary

Mr Burns (PS/PJS)

We spoke. The Secretary

of State has not seen this.

If we are to recommend

the addition of the

Chancellor of the Exchequer

to the party I think ~~the~~ Cairns

ought to be consulted.

Otherwise, ? a way after

issue in the usual way.

P. L. S. W. 12/ix



*Mr. Budge*

Mr Ferrusson

Private Secretary

cc + drafts to  
P.S. to LPS  
P.S. to PUS  
Mr Budge  
Mr Fretwell

VISIT BY THE PRIME MINISTER TO ROME: 4-5 OCTOBER 1979

A

1. I attach a draft "objective letter" from the PUS to Sir J Hunt for the Prime Minister's forthcoming visit to Rome. EID(I), Defence Department, ESSD, EESD and FRD agree, and H M Embassy at Rome has been consulted. The Italians have not yet expressed their own views on the agenda.

2. Since time is short, the department proposes to commission briefs within the FC0 on the basis of the PUS's letter once it has issued. Additional briefs can be commissioned and/or alterations made in the light of Sir J Hunt's reply. In commissioning briefs, the department will ensure that those departments within the FC0 which there has not yet been time to consult will have an opportunity to suggest any additional items that might be included under "bilateral issues".

*Mr Verelst  
Mr Nash*

*We shall now  
Commission briefs*

*D A S Gladstone*

D A S Gladstone  
Western European Department

18 September 1979

cc: Mr Spreckley, EID(I)  
Mr Gilmour, Defence Dept  
Mr Bayne, FRD  
Mr Hannay, ESSD  
Mr Winchester, Security Dept  
Mr Mallaby, EESD

*I think that a  
skinned down list is right.  
The Sec of State will be  
able to cover other international  
issues - such as Northern  
Africa, South/South East Africa etc  
should they come up, but we don't want them to, as they  
would distract from the main purpose of the discussion.*

CONFIDENTIAL

*J B M and 19/9*

*[Signature]*  
19/9



*With the compliments of*

**PROTOCOL AND CONFERENCE DEPARTMENT**

**CONFERENCE SECTION**

*Paul Davis*  
*For info*

**FOREIGN AND COMMONWEALTH OFFICE**  
**LONDON, SW1A 2AH**





Foreign and Commonwealth Office

London SW1A 2AH

18 September 1979

PCD  
3201

NY408/311/2

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19 SEP 1979

DESK OFFICER		DESK OFFICER
INDEX	PA	SECRETARY

RECEIVED IN REGISTRY NO. 13  
21 SEP 1979

DESK OFFICER

INDEX PA

WATER JRM  
22/5

Dear Michael,

Prime Minister's Visit to Rome: 4-5 October:  
Travel

I attach a copy of a minute from our Protocol and Conference Department giving some possible timings and methods of travel for the Prime Minister's visit to Rome on 4-5 October. Could you let us know in due course whether the Prime Minister is content with the proposal that the party should travel in two HS 125s?

Yours etc

Paul

Paul Lever

M O'D B Alexander Esq  
10 Downing Street

Mr Lever

VISIT OF THE PRIME MINISTER AND THE SECRETARY OF STATE TO ROME  
4-5 OCTOBER 1979

1. When we spoke on the telephone, you confirmed to me that the Secretary of State will be travelling to Rome with the Prime Minister on Thursday 4 October returning the following day.

2. You may find it useful to have the following aircraft details:-

Flying Times            London (RAF Northolt) - Rome (Ciampino)  
                              HS 125 : 2 hours 40 minutes each way  
                              Andover : 4 hours 30 minutes each way

Rome Telegram 391 of 17 September suggests that the Prime Minister might arrive in time for an early evening meeting. On the dates in question both Rome and London will be on GMT plus 1 so that an arrival in Rome by say, 1700 hours will require a departure at 1420 from RAF Northolt if HS 125 aircraft are employed. Ciampino Airport is approximately 10 miles from the centre of Rome.

3. The present situation as regards RAF HS 125 aeroplanes is that only one of the larger 600 series is available. However, this aircraft has some seating fault which cannot be rectified because of industrial action on the part of those who normally look after this aspect of servicing. This means that instead of having a capacity of 6 persons plus luggage space (or 7 with minimal luggage) the aircraft will only carry 5 persons plus overnight baggage. The second aircraft will have to be a smaller 400 series plane which will only take 5 persons plus overnight baggage.

4. I am assuming that the party will be on something like the following lines:-

Prime Minister	Secretary of State
Private Secretary	Private Secretary
Press Secretary	Detective
Detective	Senior Official
Duty Clerk	
Secretarial Assistant	

I have provisionally booked two RAF HS 125 aircraft (one 600 series and one 400 series) for the journey. It almost goes without saying that the luggage space on these two aircraft will be at a premium. If more space is required the only option available will be to take an Andover. This would of course make the journey longer but it would be possible for a hot meal to be served to six people en route with the balance partaking of a cold salad type meal. If the Andover were to be used a 1700 hours arrival time in Rome would mean a 1230 hours departure for RAF Northolt. Comparative total costs of the aircraft will be as follows:-

2 HS 125s	-	in the order of £4,000
Andover	-	in the order of £4,200

5. I attach a spare copy of this minute in case you wish to pass it to No 10 Downing Street.

18 September 1979

*Handwritten notes:*  
of [unclear]  
[unclear]

*Handwritten:* [unclear]

Prime Minister's Visit

*Handwritten signature:* Paul Davies

P C E Davies  
Conference and Visits Section  
Protocol and Conference Department  
4A/G 233 3102

I attach a copy of Rome news which the Italian Ambassador (your letter of 15 September) accepts the dates of 4/5 October visit to Rome. I should be grateful for the programme recorded in that telegram are acceptable. I assume that the proposed press release set out in paragraph 5

18 September 1979

We have now been informed by our Delegation to the Holy See that the Pope is expected not to return to Rome from his visit to the United States until 7 October.

*Handwritten:* Paul  
*Handwritten signature:* Paul Laver

M O D S Alexander Sec  
10 Downing Street



(22) *WSD*

Foreign and Commonwealth Office

London SW1A 2AH

18 September 1979

*WR 02619*

RECEIVED  
19 SEP 1979  
NO. 13

DEPT OF STATE  
RECEIVED  
19 SEP 1979

*19/9*  
*Mr. Penker*  
*Mr. Nash*

*Dear Michael,*Prime Minister's Visit to Rome

I attach a copy of Rome telegram No 391 <sup>(15)</sup> confirming the news which the Italian Ambassador had already passed to you (your letter of 15 September) that the Italian Prime Minister accepts the dates of 4/5 October for the Prime Minister's visit to Rome. I should be grateful to know if the suggestions for the programme recorded in that telegram are acceptable. I assume that the proposed press release set out in paragraph 5 causes you no difficulty.

We have now been informed by our Delegation to the Holy See that the Pope is expected not to return to Rome from his visit to the United States until 7 October.

*Yours etc**Paul*

Paul Lever

M O'D B Alexander Esq  
10 Downing Street

CONFIDENTIAL

6523 0264

RECEIVED	BY NO. 73
19 SEP 1979	
DESK OFFICER	REGISTRY
INDEX	PA Action Taken

GR 420  
 CONFIDENTIAL  
 FM ROME 181300Z SEP  
 TO FLASH FCO  
 TELEGRAM NUMBER 394 OF 18 SEPTEMBER 1979  
 INFO ROUTINE UKREP BRUSSELS

TELECON NASH WED/GALSWORTHY: PRIME MINISTER'S VISIT TO ITALY

1. WE CONSIDER THAT THE MAIN ITALIAN OBJECTIVES WILL BE AS FOLLOWS:

- 1) TO ESTABLISH A CORDIAL WORKING RELATIONSHIP BETWEEN MRS THATCHER AND SIGNOR COSSIGA, WHO HAVE NOT YET MET.
- 2) TO CONVINCE HMG OF THE NEED FOR THE PAPERS TO BE PRESENTED TO THE DUBLIN EUROPEAN COUNCIL TO TAKE FULL ACCOUNT OF THE WIDER ECONOMIC EFFECTS OF COMMUNITY POLICIES.
- 3) TO SECURE HMG'S SUPPORT FOR PROPOSALS AT THE DUBLIN COUNCIL DESIGNED TO SECURE GREATER RECEIPTS FOR ITALY FROM COMMUNITY EXPENDITURE. (SUCH PROPOSALS ARE UNLIKELY TO BE EXPRESSED AT THIS STAGE IN VERY CONCRETE TERMS).
- 4) TO CONVINCE HMG THAT THE BALANCE BETWEEN NORTHERN AND MEDITERRANEAN INTERESTS IN THE CAP SHOULD BE REDRESSED AND THAT ITALY DESERVES COMPENSATION FOR CONCESSIONS MADE BY THE COMMUNITY TO OTHER MEDITERRANEAN PRODUCERS.
- 5) TO SECURE SUPPORT FOR A LARGER APPROPRIATION FOR THE REGIONAL FUND IN THE 1980 COMMUNITY BUDGET.

/2. FOR

CONFIDENTIAL

2. FOR THE AGENDA, THE PRINCIPAL TOPIC IS BOUND TO BE CONVERGENCE AND TACTICS AT THE EUROPEAN COUNCIL AND BEFORE, AND THIS WILL DOMINATE THE DISCUSSION. WE KNOW OF NO OTHER SUBJECTS WHICH THE ITALIANS ARE LIKELY TO RAISE. THERE ARE NO BILATERAL PROBLEMS WHICH NEED TO BE RAISED, OTHER THAN PERHAPS THE SCHILD CASE, DEPENDING ON HOW IT DEVELOPS BEFORE THE VISIT.

MR COSSIGA WAS PREVIOUSLY INTERIOR MINISTER AND VISITED BRITAIN IN THE CONTEXT OF ANTI-TERRORISM COOPERATION AT THE TIME OF THE KIDNAPPING OF MORO IN 1978. IN VIEW OF HIS INTEREST IN IT, THIS SUBJECT MIGHT BE APPROPRIATE FOR DISCUSSION.

MRS THATCHER WILL NO DOUBT WISH TO ASK SIGNOR COSSIGA HOW HE SEES THE POLITICAL SITUATION IN ITALY DEVELOPING, PARTICULARLY IN RELATION TO THE PCI, BUT CLEARLY THIS WOULD NOT FEATURE ON ANY AGENDA.

IF YOU DECIDE TO ACCOMPANY MRS THATCHER, WE COULD SUGGEST A NUMBER OF FOREIGN POLICY TOPICS WHICH MIGHT FRUITFULLY BE DISCUSSED, E.G. THE HORN OF AFRICA.

3. THE ITALIAN TEAM WILL COMPRISE SIGNOR COSSIGA, SIGNOR MALFATTI, CERTAINLY IF YOU COME YOURSELF, AND PROBABLY EVEN IF YOU DO NOT (APART FROM THE TETE-A-TETE DISCUSSION), AND PERHAPS SIGNOR PANDOLFI.

THE ITALIANS WILL NO DOUBT MATCH OUR OWN OFFICIAL REPRESENTATION, BUT I WOULD EXPECT IN PARTICULAR THE PRIME MINISTER'S DIPLOMATIC ADVISER SERGIO BERLINGUER, AND MALFATTI'S CHEF DE CABINET RUGGIERO TO BE PRESENT.

ARCULUS

FILES

WED	PS/LPS
EID (I)	PS/PUS
NEWS D	SIR A DUFF
FRD	MR FERGUSSON
ES & SD	MR BULLARD
DEF D	MR BUTLER
PS	MR FRETWELL



Mr Fergusson

PS/LPS )  
PS/PUS ) Copies attached for onward transmission

## PRIME MINISTER'S VISIT TO ROME

1. I submit a self-explanatory letter from the Private Office to No 10 seeking comments on Rome telegram no 391. I assume that in practice News Department will liaise with No 10 about the press release (Sr Civiletti telephoned me separately about this and I promised to ring him back).
2. Our Delegation to the Holy See did not of course consult the Vatican about the proposed plans but took their information from an official press announcement put out earlier by the Vatican.
3. We shall be in touch with the Cabinet Office about production of briefs. I assume that we shall wish to recommend to No 10 that the talks focus almost exclusively on Community affairs but would prefer to submit separately on that issue.

*D A S Gladstone*  
D A S Gladstone  
Western European Department

17 September 1979

cc:  
Mr Butler  
Mr Fretwell  
EID(I)  
EID(E)  
News Department

*I should be inclined to delete  
the last sentence of the draft.*

*[Signature]*  
17/9.



WED  
PS

PS/Lord Privy Seal

PS/PJS

Mr Bullard

Mr Butler

From the Private Secretary

Mr Ferguson

Mr Renwick

FD(1)

10 DOWNING STREET

WED 026/9

RECEIVED IN REGISTRY NO. 13	
18 SEP 1979	
DESK OFFICER	REGISTRY
INDEX	PA
15 September 1979	

Mr Franklin (Cabinet Office)

0217/ix

Dear Paul,

Prime Minister's Visit to Rome

The Italian Ambassador has just telephoned to say that the proposed dates for the Prime Minister's visit to Rome, i.e. 4/5 October, are acceptable to the Italians.

Yours ever

Michael Alexander

Paul Lever, Esq.,  
Foreign and Commonwealth Office.

Mr Gladstone:  
or WEB

Let's give the same  
WI (19)

Mr. Nash  
Pg  
Rbn

now you  
help (no work!)

17/9

B 17/9  
WED  
PS

22/9



WEB 026/97

21 SEP 1979

DESK OFFICER

INDEX PA

15 September 1979

RS/Low Privy Seal

PS/PJS

Mr Bullard

Mr Butler

From the Private Secretary

Mr Fookson

Mr Fitchell

ET (1)

10 DOWNING STREET

15 September 1979

Mr Franklin (Cabinet Office)

or/lix

Dear Paul,

Prime Minister's Visit to Rome

The Italian Ambassador has just telephoned to say that the proposed dates for the Prime Minister's visit to Rome, i.e. 4/5 October, are acceptable to the Italians.

Yours ever

Michael Alexander

Paul Lever, Esq.,  
Foreign and Commonwealth Office.



CONFIDENTIAL

15

803378

CONFIDENTIAL

FM ROME 171000Z SEP 79

TO IMMEDIATE FCO

TELEGRAM NUMBER 391 OF 17 SEPTEMBER

INFO ROUTINE UKREP BRUSSELS AND ALL OTHER EEC POSTS.

INFO SAVING HOLY SEE.

021 02619	
17 SEP 79	13
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TOP COPY

YOUR TELEGRAM NO. 171. (17)

ANGLO/ITALIAN SUMMIT.

1. I PUT THIS PROPOSAL TO THE ITALIAN FOREIGN MINISTER ON 14 SEPTEMBER. HE SAID IT WAS VERY GOOD NEWS WHICH HE WOULD PASS AT ONCE TO HIS PRIME MINISTER.
2. THE DIPLOMATIC ADVISER TO SIG. COSSIGA HAS NOW TOLD US THAT THE ITALIAN AMBASSADOR IN LONDON HAS BEEN INSTRUCTED TO ACCEPT THIS PROPOSAL.
3. THE ITALIANS WOULD BE GRATEFUL FOR THE PRIME MINISTER'S VIEWS ON THE PROGRAMME. SERGIO BERLINGUER SUGGESTED THAT IT MIGHT BEGIN IN THE EARLY EVENING WITH A MEETING BETWEEN THE TWO PRIME MINISTERS ALONE FOLLOWED BY AN ITALIAN GOVERNMENT DINNER. THE NEXT MORNING THERE COULD BE AN OFFICIAL MEETING WITH DELEGATIONS. THE CALL ON THE POPE (WHICH SHOULD PREFERABLY COME AT THE END OF THE VISIT) COULD THEN BE IN THE LATE MORNING AND THE PRIME MINISTER COULD LUNCH PRIVATELY WITH ME BEFORE DEPARTURE. PLEASE LET ME KNOW IF THIS IS ACCEPTABLE, IN WHICH CASE YOU WILL PRESUMABLY ALSO INSTRUCT HM MINISTER TO APPROACH THE VATICAN ACCORDINGLY.
4. I HOPE THE PRIME MINISTER AND SOME OF HER PARTY WILL STAY WITH ME. IT WILL BE HELPFUL TO KNOW AS SOON AS POSSIBLE WHETHER YOU WILL BE ACCOMPANYING HER.

CONFIDENTIAL

15.

CONFIDENTIAL

5. THE ITALIANS SUGGEST THAT THE FOLLOWING PRESS COMMUNIQUE SHOULD BE ISSUED ON SATURDAY 22 SEPTEMBER IN TIME FOR SUNDAY PAPERS.

QUOTE UPON THE INVITATION OF THE PRESIDENT OF THE COUNCIL OF MINISTERS, SIG. COSSIGA, THE BRITISH PRIME MINISTER, MRS THATCHER, WILL BE PAYING A WORKING VISIT TO ROME ON 4 AND 5 OCTOBER. THIS VISIT IS IN THE FRAMEWORK OF THE PERIODIC CONSULTATIONS BETWEEN THE HEADS OF GOVERNMENT OF THE TWO COUNTRIES. UNQUOTE.

PLEASE LET ME KNOW IF THIS WORDING AND TIMING ARE ACCEPTABLE.

ARCULUS

FCO/WH DISTN  
WED

2  
CONFIDENTIAL

CONFIDENTIAL

GRS 130

TOP COPY 02619.

CONFIDENTIAL

FM FCO 141423Z SEP 79

TO FLASH ROME

TELEGRAM NUMBER 171 OF 14 SEPTEMBER

INFO PRIORITY HOLY SEE ROUTINE UKREP BRUSSELS ALL EEC POSTS

YOUR TELNO 389: ANGLO/ITALIAN SUMMIT

1. THE INVITATION WAS DULY TELEPHONED TO NO 10 BY THE ITALIAN AMBASSADOR. THE PRIME MINISTER HAS NOW RECONSIDERED HER PLANS AND COULD VISIT ROME ON 4/5 OCTOBER. SHE WOULD FLY OUT ON THE AFTERNOON OF 4 OCTOBER, REACHING ROME IN TIME FOR DINNER, AND RETURN THE FOLLOWING AFTERNOON.

2. PLEASE PUT THIS PROPOSAL TO THE FOREIGN MINISTER WHEN YOU SEE HIM THIS AFTERNOON, STRESSING THAT THE PRIME MINISTER'S DIARY IS EXTREMELY FULL AND IT IS VERY UNLIKELY THAT WE SHALL BE ABLE TO FIND AN ALTERNATIVE.

3. THE PRIME MINISTER HOPES THAT IF THE VISIT TO ROME IS ARRANGED IT WILL BE POSSIBLE FOR HER TO CALL ON THE POPE.

CARRINGTON

FCO/WHITEHALL DISTN.

WED

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CONFIDENTIAL

(16)



RECEIVED	1026/9
SECRETARY NO. 13	
17 SEP 1979	
PS	
PS/Lord Privy Seal	
PS/PJS	

10 DOWNING STREET

From the Private Secretary

Mr. Decker 14/9  
 Mr. Mackay 14/9  
 Mr. Conyngham 17/9

Mr Bullard  
 Mr Butler  
 Mr Stewart  
 14 September 1979

M. Mlix

Dear Paul,

I have telegraphed Rome  
 & spoken to Sir R. Arculus

Meeting between the Prime Minister and the Prime Minister of Italy

You wrote to me on 10 September to say that the Embassy in Rome had learned that the new Italian Prime Minister, Signor Cossiga, would like to invite the Prime Minister to Rome before the European Council Meeting in Dublin. Signor Ducci telephoned me the following day to convey the same message.

As you know, the Prime Minister indicated at the meeting of OD on 12 September that it would not be easy for her to find time to go to Rome in the next two months. However, she has now reconsidered the matter and has decided that it would be possible for her to make the trip on 4/5 October. She would fly out on the afternoon of Thursday, 4 October, reaching Rome in time for dinner, and return on the afternoon of Friday, 5 October. I should stress that the Prime Minister's diary is extremely full and that if this date is impossible for the Italians it is very unlikely that we shall be able to find an alternative. Since Signor Ducci specifically mentioned the suitability of a date "soon after 1 October" there is perhaps some reason to expect that 4/5 October will not prove too inconvenient for Signor Cossiga.

The Prime Minister hopes that if the visit to Rome is arranged it will be possible for her to call on the Pope.

The Prime Minister will wish, I think, be accompanied by a very small team indeed. I should be grateful to know if you consider it should include anyone other than the Foreign and Commonwealth Secretary and perhaps one senior official (plus Private Secretaries).

Although Signor Ducci has been in touch with me direct, I think it would be better for negotiation of the dates to take place in Rome. I understand that Sir R. Arculus is seeing Signor Malfatti this afternoon and this might provide a suitable opportunity to pursue the matter.

I am sending a copy of this letter to Martin Vile (Cabinet Office).

Yours ever

Michael Alexander

Paul Lever, Esq.,  
 Foreign and Commonwealth Office.

CONFIDENTIAL

*lv Wash RIM*

*There is no need to circulate left  
which are in the distribution.*

GR 170  
CONFIDENTIAL  
FM ROME 111550Z SEP  
TO IMMEDIATE FCO

*ERS 0264*

RECEIVED
CONFIDENTIAL
14 SEP 1979
DIR

① *Mr Bonifazi*  
*Mr Venet*  
*Mr Martone*

*12/9*

TELEGRAM NUMBER 378 OF 11 SEPTEMBER 1979  
INFO PRIORITY UKREP BRUSSELS PARIS BONN.

② *pa. (Mrs. Marquis  
with to Rome)*

*Rh*  
*12/5*

COMMUNITY BUDGET: COMMISSION REFERENCE PAPER

1. A JUNIOR MEMBER OF THE ITALIAN EQUIVALENT OF EID(1) CONFIRMED TO US THIS MORNING THAT THE ITALIANS WERE EXTREMELY DISAPPOINTED WITH THE COMMISSION PAPER. BESIDES WISHING TO DISPUTE SOME OF THE DETAILED FIGURES, THEY HAD A STRONG INCLINATION TO REJECT THE PAPER ALTOGETHER ON 17 SEPTEMBER ON THE GROUNDS THAT IT DID NOT TOUCH ON THE WIDER CONVERGENCE ISSUES WHICH WERE SO IMPORTANT TO THEM. FOR THIS REASON THE ITALIANS WERE NOW PLACING CONSIDERABLE IMPORTANCE ON THE TALKS SCHEDULED FOR 13 SEPTEMBER BETWEEN ALESSI AND FRETWELL IN THE HOPE THAT SOME COMMON STRATEGY COULD BE AGREED. THE ITALIANS WERE AWARE THAT WE WOULD NOT WELCOME ANY DILUTION OF THE PURELY BUDGETARY PROBLEM IN THE PAPER.
2. WE HAVE NOT HAD ANY CONFIRMATION AT A MORE SENIOR LEVEL THAT ITALIAN DISAPPOINTMENT WILL TAKE SO EXTREME A FORM, BUT YOU SHOULD BE AWARE OF THINKING AT LEAST AT THIS LEVEL IN THE MFA.

ARCULUS

FILES:  
EID (I)  
WED  
MR BULLARD  
MR FRETWELL

CONFIDENTIAL



CONFIDENTIAL

(4)

GR 70

CONFIDENTIAL

TOP COPY

ROME 131425Z SEP

IMMEDIATE FCO

TELEGRAM NUMBER 389 OF 13 SEPTEMBER 1979

ves 02619.

RECEIVED IN PRIORITY NO. 13

14 SEP 1979

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INFO SAVING UKREP BRUSSELS AND ALL EEC POSTS.

ROME TELNO 355: POSSIBLE MEETING BETWEEN THE PRIME MINISTER AND THE ITALIAN PRIME MINISTER.

1. SERGIO BERLINGUER (DIPLOMATIC ADVISER TO THE ITALIAN PRIME MINISTER) TOLD THE MINISTER TODAY THAT THE ITALIAN AMBASSADOR IN LONDON HAD PUT FORWARD A FORMAL INVITATION TO MRS THATCHER YESTERDAY, TO VISIT ROME AT THE END OF SEPTEMBER OR IN OCTOBER. HE SAID THAT SIG.COSSIGA, PARTICULARLY IN VIEW OF HIS MEETING WITH MR JENKINS (UKREP BRUSSELS TELNO 4611 AND MIFT) BELIEVED THAT EARLY CONSULTATION BETWEEN OUR TWO COUNTRIES AT THE HIGHEST LEVEL WAS VERY IMPORTANT. HE REALISED THAT MRS THATCHER WOULD BE UNABLE TO LEAVE LONDON BEFORE THE CONCLUSION OF THE CURRENT CONFERENCE ON RHODESIA, BUT HE BELIEVED THAT THEY OUGHT TO MEET TO CONCERT TACTICS AS SOON AS POSSIBLE THEREAFTER, IN ORDER TO ENSURE CONCRETE RESULTS AT THE DUBLIN EUROPEAN COUNCIL. GOODISON ASSURED HIM THAT, ACCORDING TO HIS UNDERSTANDING, SENIOR OFFICIALS IN LONDON WERE WELL DISPOSED TOWARDS THE ITALIAN PROPOSAL.

2. FCO PLEASE PASS SAVING ADDRESSEES.  
ARCULUS

FILES

WED

FRID

PCD

PLSD

PS

PS/LAS

SIRA DUFF

MR BULLARD

MR FRETWELL

MR FERCUSSON

[REPEATED AS REQUESTED]

CONFIDENTIAL



See also WRS 026111.

(13)



WRS 02619.	
RECEIVED	SECRET NO. 13
12 SEP 1979	

Mr Gladstone, WED

At the Rhodesian Conference reception this evening the Italian Ambassador handed the Secretary of State the attached bout de papier recording the wish of the Italian Foreign Minister, Signor Franco Maria Malfatti, to stop over in London on 22 October on his way back from the informal meeting of EEC Ministers in Ireland the previous weekend.

The note also suggests that the Italians are thinking in terms of the last week in September or the first week in October for a possible visit by the Prime Minister to Rome.

From the point of view of the Secretary of State's diary 22 October is not an easy day. He is due to take part in a Middle East Heads of Mission Conference in the morning and has arranged to attend a Press Association luncheon.

10 September 1979

Paul Lazen  
(P Lever)

ccs:-

- PS/LPS
- PS/PUS
- Mr Butler
- Mr Bullard
- Mr Fretwell (EID(I))

*Handwritten:* P. 1317. My Venker to see RBN 12/9

Mr Nash

It is not clear whether No. 10 know about the invitation to the PM. We ask the Italian Embassy whether they have sent an invitation direct to No. 10

*Handwritten notes:*  
Mr Lever asked that we say nothing to the Italians about the 22 October proposal. He wants us to say NO. 10 is considering the Thatcher invitation and we will decide on Malfatti/Carriington exchanges in the light of that.

*Handwritten:* Rhoads 12/9.

*Handwritten:* J. 11/9

6  
The Italian Ambassador  
to the United Kingdom

London, 10th September, 1979

Confidential

The new Italian Foreign Secretary would like to meet the Secretary of State for Foreign and Commonwealth Affairs in London to have an exchange of views on the forthcoming European Council which will be held in Dublin on 22nd November and which is considered in Rome to be quite important for the economic and financial situation of both Great Britain and Italy.

Signor Franco Maria Malfatti suggests that he might stop in London on Monday, 22nd October, on his way back from the informal meeting of the EEC Ministers for Foreign Affairs which will take place near Dublin on 20th and 21st October. If such a date is not convenient to the Foreign Secretary, Signor Malfatti would be ready to discuss a later one.

Signor Cossiga, the President of the Italian Council of Ministers, has on his part suggested to the Prime Minister a meeting between the two Heads of Government in Rome during the last week of September or the first one in October.

The Principal Secretary of State  
for Foreign and Commonwealth Affairs.

cc:  
Mr du Boulay, PCD  
Mr Newington, RID

12

WRD 026 19  
 RECEIVED BY DEPARTMENT NO. 13  
 11 SEP 1979  
 DEPT. OFFICER  
 INDEX PA

Foreign and Commonwealth Office

London SW1A 2AH

7 September 1979

G A Crossley Esq CMG  
HOLY SEE

cc Mr. Nash. WED  
11/9/79

WRD 026/2  
 RECEIVED BY DEPARTMENT NO. 13  
 10 SEP 1979  
 DEPT. OFFICER INDEX PA DEPT. OFFICER INDEX PA  
 ST 11/9

Dear Geoffrey

VISITS TO THE VATICAN

1. Thank you for your letter of 30 August.
2. You will by now have seen the papers we copied to you about the suggestion that the Pope be invited to this country on the occasion of the 1300th Anniversary of St Boniface. My submission of 20 August set out the reasons why a visit by the Pope could not at present be contemplated. However, your suggestion that the Prime Minister or Lord Carrington might make a visit to the Vatican is a much more promising one.
3. Any visit to the Vatican would have to be arranged in the context of a visit to Italy. Strictly for your own information at this stage, we are expecting the Italians to invite Mrs Thatcher to visit Rome as a prelude to the November European Council. Pressure of business may not allow her to accept the invitation but if she did, the department would certainly recommend that she should fit in a call on the Pope if at all possible. We shall in any case bear this possibility in mind when considering any future visits to Italy by either the Prime Minister or the Secretary of State. When that time does come, the very useful list which accompanied your letter will greatly strengthen our case.

Yours ever

*[Signature]*

D A S Gladstone  
Western European Department

cc:  
Mr du Boulay, PCD  
Mr Newington, RID



WFO (10)



Foreign and Commonwealth Office

London SW1A 2AH

CR 02619	
RECEIVED IN REGISTRY NO. 13	
11 SEP 1979	
DESK OFFICER	SECRETARY
INDEX	PA
	ction Taken

10 September 1979

Mr Nash

Mr Verker

Dear Michael,

Possible Meeting Between the Prime Minister and the Prime Minister  
of Italy

Sergio Berlinguer, the Diplomatic Adviser to the new Italian Prime Minister, has told the British Embassy in Rome that Sr Cossiga would like, very much to meet Mrs Thatcher in Rome in advance of the European Council Meeting in Dublin at the end of November. We have been told to expect a formal invitation via the Italian Embassy in London very shortly.

Lord Carrington would see advantage in a visit by the Prime Minister to Rome at the time proposed. It is important that we take full advantage of the Italian wish to maintain some sort of tactical alliance with us on Community questions (in spite of the fact that they are likely to be significant net recipients in 1979/80). A visit to Rome would also provide the occasion for a meeting with the Pope, if the Prime Minister were so disposed.

If in the event it does not prove possible for the Prime Minister to visit Rome before the European Council, Lord Carrington would propose to do so himself.

I am sending a copy of this letter to Martin Vile (Cabinet Office).

Yours WFO

(P Lever)  
Private Secretary

M O'D B Alexander Esq  
10 Downing Street  
LONDON

REF 026/9

RECEIVED 11 SEP 1979

Mr Bullard

INDEX ✓

Private Secretary

Draft to Rome

cc: P.S. to L.P.S.  
 P.S. to P.U.S.  
 Mr Butler  
 Mr Fredwell

## POSSIBLE VISIT BY PRIME MINISTER TO ROME

- A
1. The Diplomatic Adviser to the Italian Prime Minister informed our Embassy in Rome last week that Sr Cossiga was keen on inviting Mrs Thatcher to visit Rome before the European Council in Dublin at the end of November. We were told to expect an invitation via the Italian Embassy in London.
  2. This invitation has not yet materialised, but our Embassy in Rome has telephoned to say that Sr Berlinguer, the Diplomatic Adviser to the Prime Minister, has said it will be coming "very soon".
  3. There would be considerable value in further coordinating British and Italian views on the Budget in advance of the Dublin meeting. Although the Commission Reference Paper shows Italy as a likely substantial net recipient from the Budget in 1979 and 1980, whereas the UK/Italian Alliance was established at a time when (on the basis of the 1978 Budget figures) we appeared to have a common interest as significant net contributors, the Italians at official level have said that they are keen to maintain close contacts with us with a view to a possible tactical alliance. Sr Cossiga's continuing interest in a high level meeting confirms this and it is certainly in our interest to keep the Italians with us, so long as this is not too costly.
  4. It is for consideration whether a visit by Mrs Thatcher to Rome might not be preceded and prepared by a meeting between Sr Malfatti, the Italian Foreign Minister, and either Lord Carrington or Sir Ian Gilmour.



-2-

4. I attach a draft letter from the Private Office to No 10.
5. EID(I) concur.

D A S Gladstone  
Western European Department

7 September 1979

*I have amended the draft.*

cc: Mr Spreckley

*JBullard 7/9*



CONFIDENTIAL

8

CR 270

*Handwritten:* 4871

CONFIDENTIAL

FM ROME 300910Z AUG

TO IMMEDIATE FCO

TELEGRAM NUMBER 355 OF 30 AUGUST 1979

**TOP COPY**

*Handwritten:* Copy sent to Mr Alexander No. 10. aware Italian Emb approx

INFO SAVING TO UKREP BRUSSELS AND ALL EEC POSTS

WRS 02619.		
RECEIVED NO. 13		
5 AUG 1979		
DESK OFFICER	PA	REGISTRY
INDEX	318	<i>Handwritten initials</i>

POSSIBLE MEETING BETWEEN THE PRIME MINISTER AND THE ITALIAN PRIME MINISTER.

1. WHEN I CALLED ON THE DIPLOMATIC ADVISER TO THE ITALIAN PRIME MINISTER ON 29 AUGUST, HE RAISED THE POSSIBILITY OF A MEETING BETWEEN MRS THATCHER AND SIG. COSSIGA BEFORE THE DUBLIN EUROPEAN COUNCIL. (SO FAR AS WE ARE AWARE THEY HAVE NEVER MET). I AGREED THAT WHEN MRS THATCHER SAW SIG. ANDREOTTI IN LONDON THE IDEA OF SUCH A MEETING HAD BEEN MOOTED. WE AGREED THAT IN PRINCIPLE IT WOULD BE APPROPRIATE FOR MRS THATCHER TO COME TO ROME THIS TIME AND THAT ALL THAT WAS ENVISAGED WAS A WORKING VISIT LASTING NOT MORE THAN A DAY. I SUGGESTED THAT ANY MEETING SHOULD IDEALLY BE IMMEDIATELY BEFORE THE COUNCIL AND SERGIO BERLINGUER, WHO WAS CLEARLY AWARE THAT THERE HAD BEEN SEVERAL RATHER HASTY EXCHANGES AT OFFICIAL LEVEL BETWEEN US AND THE ITALIANS IN THE FEW DAYS BETWEEN ANDREOTTI'S VISIT AND THE STRASBOURG COUNCIL, SAID HE THOUGHT SUFFICIENT TIME SHOULD BE LEFT BETWEEN A PRIME MINISTERIAL MEETING AND THE COUNCIL FOR OFFICIALS TO DO ANY FOLLOW-UP WORK THAT WAS REQUIRED.

2. SERGIO BERLINGUER TELEPHONED ME ON 30 AUGUST TO SAY THAT HE HAD DISCUSSED THIS WITH SIG. COSSIGA, WHO WAS VERY KEEN ON THE IDEA, AND WAS INSTRUCTING THE ITALIAN EMBASSY TO APPROACH YOU WITH AN INVITATION.

3. THIS EMBASSY WOULD VERY MUCH WELCOME SUCH A VISIT. GIVEN THE IMPORTANCE FOR THE UK OF THE DECISIONS TO BE TAKEN

/AT

CONFIDENTIAL

CONFIDENTIAL

AT THE DUBLIN COUNCIL AND OF MAINTAINING ITALIAN SUPPORT FOR  
OUR AIMS IT SEEMS TO ME VERY DESIRABLE THAT THE ITALIANS  
SHOULD RECEIVE A POSITIVE REPLY.

FCO PLEASE PASS SAVING ADDRESSEES.

GOODISON

FILES  
WED  
EID  
RCD  
POSD  
PS  
PS/LPS  
SIR. A. DUFF  
MR FRETWELL  
MR FERGUSON

Copied to no 10 RE 31/5.

[PASSED SAVING AS REQUESTED]

2.  
CONFIDENTIAL

Folio 7. cancelled  
& removed.

With the consent of

WESTERN EUROPEAN  
DEPARTMENT

Dear Sir,

Possible visit by the

Thank you for your letter  
of 10th June 1967 regarding  
the proposed visit of the  
Prime Minister to the  
European Council at Brussels  
on 12th June 1967.

197

The Prime Minister has agreed

that her very busy programme





*With the compliments of*

**WESTERN EUROPEAN  
DEPARTMENT**

**FOREIGN AND COMMONWEALTH OFFICE,  
LONDON, SW1A 2AH**

CONFIDENTIAL

(C)



Mr. Verker

10 DOWNING STREET

From the Private Secretary

1 June 1979

NRD  
Bk  
B  
B Lord Privy Seal  
B Mr Hunt  
B PUS  
Mr Bullard  
Mr Fergusson  
Mr Fretwell  
P.C.O.

Cc as ltr

WRJ 02619
RECEIVED
14 JUN 1979
INDEX

Dear Paul,

Possible visit by the Prime Minister to Rome

- x (5) Thank you for your letter of 22 May, in which you conveyed the Foreign and Commonwealth Secretary's recommendation that the Prime Minister should pay a short visit to Rome before the meeting of the European Council at Strasbourg on 21/22 June.

The Prime Minister has now considered your letter. She finds that her very heavy engagements between now and the European Council meeting would prevent her from visiting Rome for more than three or four hours; and she considers that it would be wrong to pay her first official visit to Rome without having sufficient time to call on the Pope in addition to having talks with the Italian Prime Minister and his colleagues. In the circumstances, therefore, the Prime Minister has decided that she must defer her visit to Rome until later in the year. I should be grateful if you would let me know if Lord Carrington is, in the event, able to visit Rome himself in the near future, as suggested in the last paragraph of your letter.

I am sending a copy of this letter to Martin Vile (Cabinet Office).

Yours etc,  
 Bryan Cartledge.

Paul Lever, Esq.,  
 Foreign and Commonwealth Office.

CONFIDENTIAL



Mr G. G. G. G.

WES 0261a

WES. (5)

Foreign and Commonwealth Office

London SW1A 2AH

22 May 1979

Do you envisage that we could have a meeting to discuss the arguments to this? It goes to Italy all cases in purely EEC forms.

M. H. H. H.

23/5

Shirley M. Nash 23/5

Dear Bryan,

Possible Visit by the Prime Minister to Rome

We should. It is still a bilateral visit x

The Prime Minister has received Chancellor Schmidt and is shortly to visit President Giscard d'Estaing. The Foreign and Commonwealth Secretary believes that it would be very advantageous if she were able also to pay an early visit to Rome. *relations play a large part*

Italy is an important partner in NATO and, with us, one of the seven participants in the Economic Summits. But - of even greater immediate importance - Italy is our major ally in the EEC in our attempt to achieve greater economic convergence and more equitable arrangements under the Community budget and the CAP. For some time we have had a close working relationship with the Italians on EEC matters. It will be important to cement the tactical alliance with them over the Community Budget and the CAP because:

- (a) it will be much more difficult for President Giscard to block the decisions were are seeking at the European Council if the Prime Minister and the Italian Prime Minister are both insisting on action (those who are isolated in the Community seldom get their way); and
- (b) if the Commission weaken in the face of French and German pressure and propose some price increases in the final stages of the June CAP price negotiations, we and the Italians could, acting together, prevent there being a qualified majority in favour of a revised Commission proposal; we could thus avoid having to invoke the Luxembourg compromise in order to reject any proposed increases. (It would not be good for our campaign on the Budget if we had to invoke the Luxembourg compromise to prevent a price increase just before the European Council.)

In addition, it would give disproportionate pleasure to the Italian Government if, following the early contacts with the Federal German and French Heads of Government, the Prime Minister were to show the Government's interest in maintaining contact with the Italians at that level also.

/The

Bryan Cartledge Esq  
10 Downing Street





The Italian general elections are on June 3/4. Whatever the result, it is likely that Signor Andreotti will remain effectively in charge for some time after the election; and since the outcome seems unlikely to result in significant changes in the leading personalities in the Italian Government, the good effect of a visit would remain.

Lord Carrington hopes, therefore, that the Prime Minister can agree that HM Ambassador should be instructed to find out whether Signor Andreotti would welcome a short visit from her some time between 6 and 20 June. Perhaps when you let me know the Prime Minister's reaction you could also tell me whether any dates are already ruled out in the period 6 to 20 June. From the Italian point of view, it might be better to look for a date after the European Elections on 10 June.

Should the Prime Minister find it impossible to fit in even a short visit to Rome, the Foreign and Commonwealth Secretary would propose to go there himself for talks with whoever is Foreign Minister after the Italian elections.

*Yours astv*

*Paul*

P Lever  
Private Secretary

DR  
7  
SOVIET  
CONSUL

# Police arrest Solidarity activists and shut radio as Pope's visit nears

From Roger Boyes, Warsaw

In a swoop in southern Poland the police arrested 10 underground activists, broke up three clandestine publishing houses, and closed down a Solidarity radio station in Cracow, only a week before the Pope is due to visit the city.

The police strategy seems to be to stop the Solidarity underground mobilizing demonstrators during the papal visit which begins on Thursday. The visit takes in many places in the Cracow area, including Czestochowa and Nowa Huta.

Nowa Huta, a steel producing city, is a special concern for the police, partly because feelings there are still running high about the deaths of demonstrators during recent anti-government protests.

One of the three publishing houses raided at the weekend published a bulletin called *Hutnik*, which was aimed at Solidarity sympathizers in Nowa Huta steelworks.

The police communiqué said most of those arrested were students at Cracow University. A 32-year-old legal adviser named on television as Alexander H. was arrested while making illegal broadcasts from a secret transmitter.

The weekend raid also led to the confiscation of thousands of printed bulletins awaiting distri-

bution, reams of paper, and printing ink concealed in cans of condensed milk.

A British freelance journalist, Mr Gary Mead, is under investigation by the Polish authorities under Articles 271 and 272 of the Criminal Code, which provides for a jail term of up to five years for "publishing false information in the foreign press which may cause damage to the interests of Poland".

Although he was detained for 48 hours in early May, he has been allowed to live at home in Bydgoszcz.

Mr Mead, who has written articles under a pseudonym for the *New Statesman* and other journals over the past two years, has been working as a lecturer in literature with the British Council.

His condition is said to be fine, and he had regular access to the British consular officials.

● **ROME:** The Pope yesterday called on 45,000 pilgrims and tourists in St Peter's Square to pray for his coming trip to his native Poland, AP reports.

Speaking in Italian the Pope also invoked the protection of the Virgin Mary for the trip, the second of his pontificate.

"To the protection and intercession of Virgin Mary and to your prayers I entrust the

pilgrimage that, God willing, I will make to Poland next Thursday" - on the occasion of the 600th anniversary of her "Black Madonna" icon of Czestochowa.

The crowd, responded with a long applause.

"May God want to bless this pastoral initiative and make it produce many fruits for the good of the church and the whole people of the Polish nation", he added.

The Roman Catholic Church has emphasized the religious aspects of the visit, which include a Mass at Czestochowa, site of Poland's holiest shrine on June 18 after stops in Warsaw and Niepokalanow.

The Pope is expected to meet Poland's military leader, General Wojciech Jaruzelski, on the second day of his visit. He will apparently also meet Mr Lech Walesa, the head of Solidarity.

Vatican sources have said the meeting with Mr Walesa, which is not included in the official programme would be a low-key encounter probably on June 19 in Czestochowa.

A Vatican source said on Wednesday the meeting would be in "private form" in an apparent effort to avoid stirring any provocation that could mar the papal visit.

GK/2  
(2)



Copy 4 pages

~~Mr Bullard~~  
Private Secretary

Draft to issue

cc Mr Butler  
Mr Falwell

cc PS/LPS  
PS/PUS  
Mr Petrie EID(I)  
Mr FitzHerbert EID(E)

Handwritten: Mrs 02619.

Stamp: 31 MAY 1979

Stamp: DEPARTMENT OF THE PRIME MINISTER

Handwritten: 20.5

POSSIBLE VISIT BY THE PRIME MINISTER TO ROME

A

1. Mr Butler's submission of 11 May recommended a series of bilateral contacts with Community partners before the European Council meeting on 21/22 June and specifically a meeting between the Prime Minister and Signor Andreotti. The Secretary of State minuted "I must do this".
2. I now submit a draft letter to the Private Secretary in No 10 covering the suggested visit by the Prime Minister to Italy. I am submitting separately on the question of how the Secretary of State and the Lord Privy Seal could best fit in the other visits.
3. As regards Italy, the Italians are on our side on the Community Budget and CAP but, as Mr Butler pointed out in his submission of 11 May, it will be important to cement our tactical alliance both in order to avoid our isolation in the Community and to prevent a qualified majority being formed in favour of a revised Commission proposal for price increases in the final stages of the June CAP price negotiations.
4. The Italians are in any case likely to react very sensitively to signs of the development of a tripartite "directorate" in Europe. They will have seen the immediate contacts which Mrs Thatcher has made with the French and Germans and will be disproportionately disappointed if we do not pay them similar attention.





5. As to timing, a visit would have to await the outcome of the Italian general elections on 3 June and should preferably follow the European elections which are being held in Italy on 10 June.

A handwritten signature in dark ink, appearing to read 'D A S Gladstone'.

18 May 1979

D A S Gladstone  
Western European Department

*Handwritten initials and date: JMS/and 21/5*

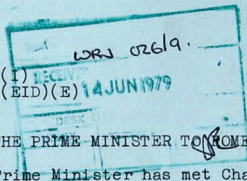


p.d.

re-submitted

- 1. Mr Fergusson
- 2. Mr Bullard
- 3. PS/LPS
- 3. PS

cc Mr Petrie (EID)(I) *was orig.*  
 Mr FitzHerbert (EID)(E) *14 JUN 1979*



*19*  
*4/6*

## POSSIBLE VISIT BY THE PRIME-MINISTER TO ROME

1. Now that the Prime Minister has met Chancellor Schmidt and will shortly go to Paris to see President Giscard d'Estaing we should consider whether to recommend that the Prime Minister should pay an early visit to Rome.
2. In the department's view such a visit would be advisable both on Community and bilateral grounds; the Community reasons are both strong and relatively urgent. Italy is our major and perhaps our only serious ally among the Nine for the Government's aim to secure more equitable arrangements for the Budget and the CAP and to develop Community policies which lead to greater economic convergence. We have built up a good working relationship with the Italians at Ministerial level, but the Italians will be looking for signs that the new Government want to work closely with them, particularly now that the Prime Minister has signalled the Government's European aims so clearly. Contact at Prime Minister level would set the tone for future collaboration; and it is possible that, having seen the immediate contacts which Mrs Thatcher has made with the French and Germans, the Italians would be disproportionately disappointed if no approach were made. It would ideally be desirable to establish this relationship before the European Council meeting on 21/22 June in Luxembourg, which will be the occasion for a major first attempt to secure our EEC objectives.
3. Mr Fergusson discussed the possibility of a visit with the Ambassador in Rome on 16 May. Sir A Campbell agrees wholeheartedly with the general case for a visit; as for the timing, in the context of the Italian elections on 3-4 June (there are also the European Elections on 10 June) he believes that Signor Andreotti

/ is



is still likely to be acting as Prime Minister in the period between then and the European Council, whether or not, in the light of the election results and subsequent political manoeuvrings he is reappointed Prime Minister. The Ambassador has commented that other Community countries have not been deterred from contact with Italian leaders because of the uncertainties of their political situation ; and the good effect of such an initiative by the new British Prime Minister would remain whoever was appointed Prime Minister in Italy. Sir A Campbell believes that a visit could easily be arranged on the same pattern as that proposed for Paris ie lunch and talks in the afternoon, or afternoon talks followed by dinner, returning that night, or possibly early the following morning.

4. I therefore recommend that the Prime Minister's approval be sought to HM Ambassador in Rome asking the Italian government if they would be able to receive the Prime Minister for a one-day visit on a mutually convenient date between 4 June and 20 June - perhaps, because of the European Elections, after 11 June. EID(I) EID(E) concur.

5. I attach a draft letter from the Private Secretary to the Prime Minister's Private Secretary.

D A S Gladstone  
Western European Department

18 May 1979



CONFIDENTIAL

Registry  
No.

DRAFT LETTER

Type 1 +

SECURITY CLASSIFICATION

Top Secret,  
Secret,  
Confidential,  
Restricted,  
Unclassified.

To:-

B G Cartledge Esq  
Private Secretary  
10 Downing Street

From

PRIVATE SECRETARY  
Telephone No. Ext.

Department

PRIVACY MARKING

..... In Confidence

*Typed*  
POSSIBLE VISIT BY THE PRIME MINISTER TO ROME

1. Now that the Prime Minister has received Chancellor Schmidt and is shortly to visit President Giscard d'Estaing, the Foreign & Commonwealth Secretary believes that it would be very advantageous if the Prime Minister were able also to pay an early visit to Rome.
2. Italy is not only an important partner in NATO and, with us, one of the seven participants in the Economic Summits, but - of even greater immediate importance - is our major ally in the EEC in the Government's search for greater economic convergence and more equitable arrangements under the Community budget and the CAP. ~~For some time we have had a close working relationship with the Italians on EEC matters, but it will be important on which it would make sense to build. And it would give disproportionate pleasure to them if, following early contact with the West German and French heads of government, the Prime Minister were to show the Government's interest in maintaining contact with the Italians at that level also. The Foreign & Commonwealth Secretary believes that, if Mrs Thatcher were able to make the time available, a one day working visit before the European Council on 21/22 June would be a useful opportunity to explain our aims and to enlist Italian support at the meeting.~~

/3.

CONFIDENTIAL

3. The Italian general elections are on June 3/4. Whatever the result, it is likely that Signor Andreotti will remain effectively in charge for some time after the election; and granted that the outcome is unlikely to result in significant changes in the leading personalities in the Italian Government, the good effect of a visit would remain.

4. Lord Carrington hopes, therefore, that the Prime Minister can agree that Sir Alan Campbell, the Ambassador in Rome, should be instructed to find out whether Signor Andreotti would welcome a short <sup>how long</sup> visit some time between 5 and 20 June, Perhaps, when you let me know the Prime Minister's reaction, you could also tell me whether any dates are already ruled out in the period 5 to 20 June. *From the Italian point*

*of view, it might be better to look for a date after the European Elections - 10 June.*

File  
②

Mr Fergusson  
cc PS/PUS  
Mr Butler  
Mr Fretwell  
Mr Petrie  
Mr Newington  
Mr Gillmore  
Mr FitzHerbert

WRD 026/9.

21 MAY 1979

13

REGISTRY

21/5

BILATERAL DISCUSSIONS WITH EUROPEAN PARTNERS IN ADVANCE OF THE EUROPEAN COUNCIL

Problem

1. It will be a major British objective at the European Council on 21/22 June to secure the agreements of other Heads of Government to action to correct the present imbalance in the Community Budget. Intensive lobbying of our European Community partners will be required to prepare for this, at all levels, and particularly by Ministerial contacts.

Recommendation

2. I recommend that the Secretary of State or the Lord Privy Seal should aim to discuss this problem substantively with Foreign Ministers of each of the other eight Community countries (with the possible exception of Italy (see below)) before the European Council meeting on 22 June. EID(I) and RID concur.

Argument

3. For this purpose, Community members can be divided into two groups: France, FRG and Italy, whose Foreign Ministers should if at all possible be seen by the Secretary of State, plus Denmark, which Lord Carrington has already visited; and the others, with whom it would be appropriate for the Lord Privy Seal to conduct the discussions. Taking these in order:

/ France



(2)

France

A bilateral meeting between the Secretary of State and M. Francois-Poncet is not at present foreseen before 22 June, though they will meet in the margins of the NATO Ministerial meeting in The Hague and two Committees of Foreign Ministers meetings. Unfortunately, M. Francois-Poncet will be out of Paris when the Prime Minister visits the French President. I recommend that the Secretary of State invite M. Francois-Poncet to visit London on a convenient date between 10 and 22 June, or offer to pay a visit to Paris during the same period.

FRG

The Secretary of State will wish to have a fuller discussion with Herr Genscher of budgetary issues than was possible during the visit of Chancellor Schmidt to London. One possibility would be for him to fly to Bonn after the Prime Minister's visit to Paris. If this is agreed, I shall establish through our Embassy whether this proposal would be acceptable to the Federal Government.

Italy

I am submitting separately a proposal that the Prime Minister should visit Rome before the Council. The Italians are our closest allies on the budgetary issue and if a Prime Ministerial visit does not materialise, I strongly recommend that the Secretary of State pay a short visit to Rome instead. The Chancellor of the Exchequer is also expected to be in close touch with his Italian counterpart after the Italian elections on 3 June.

(13)

Benelux

The Secretary of State will have an opportunity for a brief discussion with his Dutch colleague at The Hague on 31 May. But I think it would be desirable for this to be followed up in any case by a specific visit to the three Benelux countries by the Lord Privy Seal. In view of his seniority and sensibility it will be important not to omit M. Thorn of Luxembourg.

Denmark

The Secretary of State has just had discussions with Mr Christophersen.



Ireland

While needing to take account of Irish susceptibilities, RID think that it would be on balance preferable for any visit to Dublin to be made by the Lord Privy Seal rather than by the Secretary of State. Although the Irish would prefer the latter, a visit at that level might be open to public misinterpretation on wider grounds. RID recommend that the timing of the Lord Privy Seal's visit be considered in conjunction with plans for a first round of talks between Mr Atkins and the Irish Government, for which no date has yet been fixed.

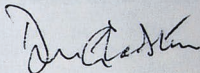
Timing

4. One further consideration to bear in mind is the proposed Heads of Mission Conference from EEC countries which is scheduled to

/ take



take place in the FCO on 8 June. On that day I assume that neither the Secretary of State nor the Lord Privy Seal would be free to travel or to see visitors.



D A S Gladstone  
Western European Department

18 May 1979

CONFIDENTIAL



*M. Harbone*

CONFIDENTIAL

WORK 02619.
21 MAY 1979
PHS

Mr Gladstone (WED)

POSSIBLE VISIT BY THE PRIME MINISTER TO ROME

- I mentioned to you that, on the PUS's instructions, you should draft a succinct submission to the Secretary of State to go to him through Under-Secretaries and the Lord Privy Seal, setting out the case for an early visit by Mrs Thatcher to Rome, with an appropriate draft Private Secretary letter to Number 10.
- Although the Italian elections are not until 3 June and we may not know who is Prime Minister for some while after that, the underlying case for an early visit to cement our close relations, both in a Community context and bilaterally, does not necessarily depend on the personality of the Italian Prime Minister, and it might well be helpful if a short one day in-and-out visit could be arranged before the European Council on 21/22 June. For that reason, the sooner we put up a submission the better.
- As I shall be in Rome tomorrow and on Thursday and shall have an opportunity to discuss a draft submission with Sir A Campbell, I asked you to let me have a draft by this evening. I would hope then that your submission could be put up on Friday 18 May.
- I am copying this minute to Private Offices, for the Private Secretaries' information, in case the topic has already come up informally (e.g. at Cahors) and there are additional points which you need to take into account.

*E A J Fergusson*

E A J Fergusson

15 May 1979

- cc: Private Secretary
- PS/Lord Privy Seal
- PS/PUS
- Mr Bullard
- Mr Fretwell
- EID(E)
- EID(I)

Mr. Fergusson:

*We spoke. As regards 4 above: it did not come up at Cahors.*

*Peter Harbone WED*

*15/v*

*cc Mr. Gladstone.*

WAS 026/19.

31 MAY 1979		13
CONFIDENTIAL		
DESK OF	PA	REGISTRY
Private Secretary		Action Taken

must do this  
 C  
 /

Secretary of State

- cc. PS/Lord Privy Seal
- PS/PUS
- Mr Bullard
- Mr Fretwell
- Mr Petrie EID(I)
- Mr Gladstone (WED)

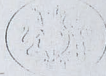
COMMUNITY BUDGET

1. If we are to succeed in getting the European Council on 22/23 June to agree language to the effect that something has got to be done about the UK net contribution to the UK Budget and which gives instructions to the Commission to come forward with early proposals for remedial action, we are going to have to conduct an energetic campaign to soften up the opposition within the Community. This includes the BENELUX countries, Denmark, and to some extent Ireland, as well as France and Germany. At the Official Group on the Community budget problem on 9 May (Cabinet Office, FCO, Treasury, MAFF), we agreed to recommend to Ministers that there should be as intensive a programme of bilaterals with Community Governments, before the European Council, as Ministers could manage to fit in.
2. The Prime Minister is seeing Herr Schmidt today and will, we hope, be seeing President Giscard. The Secretary of State will have a bilateral talk with his Danish colleague on 17 May. He and the Lord Privy Seal will also no doubt have opportunities of talking to their Community colleagues when they see each other at the time of Community and other meetings. The Chancellor of the Exchequer, too, may have some bilaterals. But that is no substitute for discussion with Foreign Ministers who will be a little more understanding of our problems and who attend the European Council with their Heads of Government. We recommend that specific arrangements be made for bilateral discussion of Community problems, especially the budget problem, with as many of the other Foreign Ministers as possible, of which The Netherlands and Belgium are the most important (though both Ireland and Luxembourg have a capacity to make trouble if not worked upon - or even then).
3. For the purpose of our aims on the Community Budget and the CAP, the Italians are on our side. But it will be important to cement the tactical alliance with them on these two subjects because :

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- (a) it will be much more difficult for President Giscard to prevent us from getting our way at the European Council if the Prime Minister and the Italian Prime Minister are both insisting on action (those who are isolated in the Community seldom get their way); and
- (b) if the Commission weaken in the face of French and German pressure and propose some price increases in the final stages of the June CAP price negotiations, we and the Italians could, acting together, prevent there from being a qualified majority in favour of a revised Commission proposal and we could thus avoid having to invoke the Luxembourg compromise if we want to get our way; it would not be good for our campaign on the Budget if we had to invoke the Luxembourg compromise to prevent a price increase just before the European Council.

4. So I recommend that there should also be a bilateral with the Italians after their elections on 3 June, and before the European Council. With the European elections in Italy on 10 June, this means effectively early in the week beginning 11 June. If the Prime Minister, who will probably by that time have seen President Giscard as well as Herr Schmidt, were prepared to see Signor Andreotti (who will almost certainly be carrying on at that time, if only still in a caretaker capacity), that would produce the best effect. Signor Andreotti is remarkably effective at the European Council.

5. I know how full Ministers' programmes are. But I do hope that either the Secretary of State or the Lord Privy Seal will be able to find the time for these bilaterals. The Benelux countries could be done in half a day each.

*Michael Butler*

M D Butler

11 May 1979

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