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London SWIA 2AH

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LAST PAPER

23 December 1982

WR5 021/1

BECS14 20 DEC 1982

T L Richardson Esq ROME

TALY/FRG RELATIONS

- -1. Thank you for your letter of 2 December which provided a comprehensive analysis of the current state of Italian relations with the FRG. I am sure you are correct in your assessment that the relationship has sufficient substance to it to survive changes of government on either side.
- 2. It was convenient that your letter should have arrived at a time when we are giving closer examination to our own relations with Italy. We are currently considering comments from other departments on the Anglo-Italian relations paper and your letter provided an opportunity to compare notes. Certainly the Germans have several points in their favour. A clear commitment to Europe is a factor which earns Germany respect in Italian eyes. We cannot claim similar standing. The number of tourists quoted in your letter is impressive and the British cannot match that. The economic relations between the FRG and Italy are much weightier than Anglo-Italian economic ties.
- 3. Obviously we must do and will do all we can to ensure we do not lag too far behind. But I have my doubts as to whether it is realistic to expect our views in Rome to carry at least consistently as much weight as those of the FRG (your last paragraph). Geography alone would point to the Italians being prepared to go to considerable lengths to ensure that no bilateral problems muddy the waters of their relationship with the FRG. More positively, the willingess of German politicians to build up personal relationships with Italian leaders (Kohl/Fanfani, Genscher/Colombo) shows an understanding which is not matched among British politicians of the importance of the personal touch in dealing with Italy.



- 4. In this context, we are conscious of the inadequacy of inter-party ties to which you rightly draw attention. It applies to most of our clients. I look forward to your ideas on how this weakness might best be rectified. may be possible to arouse some interest if and when our Round Table/Seminar gets off the ground. If we were able to attract politicians we would at least have provided a forum at which they could get to know one another.
- The observations in paragraph 12 of your letter are also relevant to our Anglo-Italian relations paper, which at present deliberately makes no reference to Italian sensitivity at being omitted from restricted meetings. have been less complaints of late, but we shall bear the risk in mind. Italy's closeness to the US may make such exclusion more difficult in future, even if the reasons behind it remain unchanged. This is an important consideration given that the UK has in the past usually borne the brunt of Italian anger. But, mountng my hobby-horse again, part of the Italy's problem lies in her defence effort relative to that of her major allies. I hope the Germans use their close ties to advantage in this field.
- 6. Finally, I agree that the changes of government in France and Germany have altered the European pattern. The Paris-Bonn axis no longer dominates as it did a couple of years ago, and it is a healthy sign that Italy and Germany are paying each other such attention. 'It would be interesting in due course to have your thoughts on Franco-Italian ties.

Yours ever

Western European Department

cc. A J Hunter Esq. BONN

Heads of Chancery: Brussels UKDel NATO Washington

East Berlin Moscow

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British Embassy
Via XX Settembre 80A 00187 Rome

Telex 61049 Telephone 4755,441

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A M Wood Esq WED FCO Ochman Por reference

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16 December 1982

Dear Androw,

SHULTZ'S VISIT TO ROME

1. Please refer to our telno 650 of 15 December. Franceschi's Community briefing was not completely satisfactory; he was not present himself at the meeting with Colombo and in any case tends to waffle. Nevertheless, I ought to record some additional points that Franceschi made. I will not cover the Antonov affair since we are reporting this separately; needless to say, however, it did dominate press reporting here of Shultz's visit.

East/West Relations

2. It is not at all clear what institutional arrangements, and what numbers, the Italians have in mind for the co-ordination of Western economic policy towards the Soviet Union and Eastern Europe. What is clear (but only because the French Embassy man pushed Franceschi into a corner) is that the Italians do hanker after institutional arrangements of some sort, and not just a vaguer form of bilateral co-ordination. Colombo said elliptically that the Italians wanted to "follow a political line", by which, I think, he meant that given the difficulties the Washington group had experienced in keeping the smaller EC countries happy, consideration should at least be given to broadening the group. It was Colombo who raised the German Presidency problem, and he seems to have suggested that the Danes might continue to participate ex officio in a renewed Seven plus Two group, presumably with some watching brief on behalf of the smaller countries. The Danish representative made no comment, but the Dutchman was predictably exercised that Seven plus Two was still being talked about. On all this, Franceschi's main points were that the Japanese had to be included somehow and that the Italians recognised that NATO would be ill-placed to co-ordinate, because of Japanese non-membership and assumed French objections. I think it is worth noting that Colombo takes a personal interest in these US/EC institutional questions; witness his speech in Georgetown earlier institutional dutations, this year. Shultz very sensibly did not get into the numbers game, though he shared Italian views about the need for some form of directoire.

/Eastern Europe



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2.

Eastern Europe

3. The only point worth recording is that both Shultz and Colombo agreed that more time was needed to judge whether the suspension of martial law was or was not a genuine step towards unfreezing the Polish political scene.

Middle East

- 4. Reading between the lines, it is reasonable to assume that the Italians are getting increasingly worried about taking on a near-indefinite commitment to maintain forces in the Lebanon. Nevertheless, they are prepared in principle to increase the size of their force, along with the French and the Americans; and would not rule out a moderate increase now, while the MNF remains confined to Beirut, if that would please Gemayel. Franceschi noted, however, that it was hard enough already to find accommodation in Beirut for the existing troops. We have reported separately (our telno 649) the US Embassy's account of the discussions on 14 December between the Italians and a US military mission on the strengthening of the Lebanese Army. The only additional point that Franceschi made was that there was some talk in Beirut of introducing conscription; but Franceschi was sceptical whether conscripts would be of much value, at any rate outside Beirut. Shultz and Colombo seem to have discussed briefly the question of financial assistance for any future troop contributors to the MNF who could not pay their way; the implication was that the Americans would in principle be willing to find some money. Franceschi said that there had been no discussion of UNIFIL.
- More generally, the Italians are clearly worried that the momentum of Fez and of the Reagan plan could be lost unless the Americans make an early negotiating breakthrough. Shultz's reassurances are unlikely to have satisfied the Italians, though Shultz did emphasise to them Reagan's basic commitment to reaching a Middle Eastern settlement. There was some discussion of Habib's future movements, and the Americans apparently suggested that instead of Habib shuttling between the contestants, they might come to see him, at a negotiating headquarter that might be located in Cyprus or even Rome.

T L Richardson

cc: B L Crowe Esq, ECD(E), FCO; EESD, FCO; NENAD, FCO;
 NAmD, FCO; TRD, FCO;

Chanceries: Washington, Paris, Bonn, UkRep Brussels, Copenhagen, Beirut ITALY/FRG RELATIONS

- 1. In our telno 552 (not to E. Berlin) we promised comments on Carstens' state visit on 25-29 October. It was followed by Kohl's visit here of 18 November, which so far as the Italian rather than the Vatican part was concerned turned out to be little more than a round of courtesy calls because of the fall of the Spadolini government and the political crisis. For these same reasons, the fuller Italo-German consultations planned for 25-26 November in Florence (Spadolini's birthplace) were postponed. SFE
- 2. This spate of visits, abortive through some turned out to be, prompted us to look more closely at the Italian/FRG relationship. As I have commented before (in the context, for example, of your draft paper on Anglo-Italian relations) the relationship looks healthy from here. Clearly some of the current warmth stems from the close working relations between Genscher and Colombo, but there is a depth to the relationship which should survive changes in Ministers. I think it worth setting out the various aspects of the relationship in some detail. Bonn may see it differently, and I hope Alistair Hunter will forgive us if I have inadvertently trespassed onto his territory.

Introduction

3. No account of Italy/FRG relations can ignore the historical perspective. Most Italians over 60 in north and central Italy have better memories of the German occupation, and many blame Hitler as much as Mussolini for dragging their country into a ruinous war. The hysterical reaction to the escapeof Kappler four years ago showed how close to the surface these wartime scars still are. The memory of the Ardeatine massacres in Rome, the site of which Carstens visited, is still vivid, and the massacres are commemorated in an visited, is soft in the state of the FRG Embassy described to us Carstens' State Visit, the third since the war, as the first 'normal' one made by a FRG President. Yet the shared experience of emerging defeated in 1945, being occupied by Allied troops and having to overcome a Fascist/Nazi past to build new republics has also helped to make Italian and German views converge on some subjects, such as the political construction of the European Community.

WRJ 021/1 Na Reo 11,

/4. Geography



4. Geography has always played an important part in forming the relationship. It is easy (and cheap) for Germans to come here. 5,100,000 did so last year, making this the most popular holiday destination for Germans; the Federal Republic supplied 1/3 of all Italy's tourists, and the number of German visitors this year may reach 6 million. The resulting injection of Deutschmarks (estimated at over 7 billion last year) helps to repeat the annual summer miracle of avoiding disaster for the Italian balance of payments. In the other direction, holidays have been prohibitively expensive for most Italians, but 600,000 work in Germany and their remittances are an important economic input into many of Italy's most depressed areas; Carstens was at pains to point out that these Italian gastarbeiter would suffer no worse than the Germans themselves from the current FRG recession. Although economically valuable, this export of labour to Germany creates a form of inferiority complex, but not the degree of bitterness engendered by the Swiss treatment of Italian expatriate workers, which is thought to be far worse.

Economy

5. The FRG is Italy's most important trading partner, accounting for almost 16% of her exports and of her imports in 1981. The respective figures in lire were 13.350 billion and 16,180 billion, producing a significant deficit for Italy which looks set to worsen this year. In terms of trade, therefore, the Deutschmark rate against the lire is of crucial importance; only the dollar rate is watched more closely here (because so many essential imports, like oil, are priced in dollars). The increasing strength of the Deutschmark over the last four years has had a serious effect on the balance of trade, tilted as it is in the FRG's favour, though it brings concomitant benefits to Italian exporters. The downturn in FRG demand is seen here as one of the most important reasons for the recent slowdown in Italian export performance. Private German investments in Italy were worth 250 million marks at the end of 1981, compared with 690 million marks for comparable Italian investments in Germany. Italians have for so long been accustomed to regard the FRG economy as the strongest in Europe, and to profit from it accordingly, that they find it hard now to believe German stories of real domestic difficulties.

The Community

6. Pursuit of Italian economic interests in the EC often leads to disagreement with the FRG, although both governments agree on the broad objectives. Italian attempts to secure better terms for Mediterranean agricultural products, for example, are bound to meet resistance in Bonn. The Italians appreciate the German commitment to the ideal of greater integration and more comprehensive Community policies, but are disappointed when the natural prudence of a net contributor means that this is not translated into support for specific Italian requests. On the central issue of the EC budget,



one of Colombo's main concerns was to avoid the fierce domestic criticism which he expected if Italy was seen to 'pay back' Germany when the latter declined to shoulder her full share of UK refunds in 1982. This is likewise now the major Italian concern in the budget negotiations for 1983 and beyond. The Italians believe that the FRG is still rich enough to continue to shoulder part of the burden of financing European policies designed to help the less fortunate (including Italy).

- 7. There are differences too over other EC issues with an immediate economic impact. The Germans (like others) resent Italy's refusal to cut steel capacity. Italy thinks that the FRG, like others, with antiquated plant, should cut its capacity much more drastically than Italy. The Italians, who employ quite a wide range of protectionist instruments (e.g. quotas for Japanese cars and restrictions on services), dislike having to listen to the Germans vaunting untrammelled liberalism in trade (though they are quick to protest at French protectionist measures).
- 8. The "European Act" showed the similarity of Italian and German views on the political aspects of European cooperation; it is significant that both Spadolini and Schmidt had reservations about their Foreign Ministers' draft because it sought to gloss over the underlying economic problems. The process of drafting the 'Act' helped to cement the already close personal relationship between Colombo and Genscher. Now that both have been confirmed in office until next spring, but not necessarily beyond, they will have a joint interest in pressing ahead with the 'Act' as quickly as possible during the FRG Presidency. The key theme of closer consulatation between EC partners will, however, remain acceptable to any conceivable future Italian Government. One reason for this is that the political class sees Italy's integration into Europe as an important way of underpinning Italian democracy. There are signs of growing nationalism here, which protectionist pressures will no doubt reinforce, but in an unstable world and in a growing recession I would expect the Italians to be conscious of their dependence on their stronger neighbours, however much at times they might resent it.

Defence

9. In the defence field Italy and Germany have much in common. Both know that their national security depends on Nato, and are non-nuclear powers; both have substantial US forces on their territory, and have agreed to INF basing next year; both have a vocal peace movement, although the Italian demonstrations have so far been smaller and have made less impact than their equivalents in Germany. Italy is concerned to keep closely in step with the FRG over defence and security matters, and this accounts for the close questioning of Genscher about the recent Franco-German exchange on nuclear defence. For the same reason Italy has always been keen on parallel INF deployment next year;



Kohl's willingness to go it alone if need be will not help the Italian government defend their decision on Comiso basing to public opinion during 1983 (we shall report separately on this when the new government is firmly in place). The main difference of defence outlook stems from Italy's natural preoccupation with southern flank issues, and her wish to create commercial opportunities in the military sector in the third world. The difference of view over arms sales has been sharply illustrated by Tornado.

Party links

10. The links of Italian parties with their FRG counterparts (where these exist) are probably as close as those with any other country, and contast sadly with ours - a theme which we will take up separately. Craxi (PSI) has received support from the SPD (including cash, according to some observers) and takes care of his links with Schmidt, Brandt etc. Apart from Socialist International meetings and encounters at the European Parliament, there are policy seminars which help to foster the connection: an important one takes place next week. The Adenauer foundation is active in Rome (and assists the contact work of the FRG Embassy). The Italian Christian Democrats have a more limited international outlook, and as always fear the result of being identified too closely with any 'Conservative' party; nevertheless, there are regular exchanges with the CDU, and Kohl called on DC leaders when in Rome on 18 November. The PCI have sought to establish when in Rome on to Rovember. The For have sought to establish better links with the SPD, as with the FSF, to the annoyance of the FSI; this is part of their effort to acquire democratic credentials as the major force of the Italian left. Our impression is that their success in Bonn has so far been more limited than in Paris, but the relationship with the SPD could improve as the PCI moves further away from Moscow and the SPD perhaps further to the left. (This could embarrass Craxi's PSI, which supports INF basing at Comiso). The minor parties suffer from the usual lack of a precise match with parties elsewhere, but generally attract a German representative of high calibre to their party congresses (it is not clear to us whether they send comparable representatives to Germany).

Trade Union links
TT. Contacts between the Italian trade union federation
CGIL/CISL/UIL, and its FRG counterpart, DGB, are regular and
CGIL/CISL/UIL, and its FRG counterpart, DGB, are regular and
CGIL/CISL/UIL, and its FRG counterpart, DGB, are regular and
CGIL/CISL/UIL, and its FRG counterpart, DGB, are regular and
CGIL/CISL/UIL, the trade of the trade of the contact at a tall the lead, perhaps
because of DGB sensitivity about CGIL's (the largest union) links
with PCI. There has been recent contact at a high level. The
General Secretary of UIL, Benvenuto, visited the head of DGB,
Ernst Breit, in November to discuss joint action to combat high
unemployment and to seek reassurance about DGB attitudes towards
Italian migrant workers in FRG. Reports here suggest little
progress on the former, beyond agreement to pursue the issue with
ETUC, but Benvenuto expressed satisfaction with the DGB response

on the latter.



Government links

12. Germany is one of the few countries with which Italy has biannual summits, usually attended by severd Ministers. Contact between individual Ministers is frequent; in the field of terrorism, for example, where the two countries faced similar problems in the 70s, the Interior Minister Rognoni keeps in closer touch with developments in Bonn than with those in Paris. When a Community policy is being evolved, the German position is always studied with great attention in Rome, and in political cooperation the two countries usually march in step. Exchanges of visits by officials or Parliamentarians are less frequent, perhaps because Italians think first of London as a destination with more obvious attractions. There is no doubt however that the professionalism and efficiency of the FRG state machine is admired (and sometimes feared) by the Italians.

Foreign Policy

- 13. On transatlantic relations Italy has not usually found it difficult to keep in step with the FRG. This is not surprising given their similar concerns over issues like the pipeline. But the Italians will always be more anxious to pacify the Americans for reasons that lie outside the scope of this letter. In the third world their interests rarely if ever come into conflict, and differences of view can usually be resolved within the EC framework. The major source of concern has therefore been relations with the Eastern bloc. Ostplitik was from the beginning regarded with suspicion in Italy, on the grounds that it might detract from Germany's commitment to the Community and perhaps even call into question her role in Nato. Those fears were exaggerated, and it is now more widely accepted here that the problem of the inner German relationship imposes on the FRG on approach to the East which is unique in Western Europe. There was also an element of jealousy, in that the Italians resented the VIP treatment which Schmidt received in Moscow; Italy has sought to expand her extensive commercial links with the East (in which the PCI and some organisations linked with the Party have a role), and would like her political access to match. It remains true that German pronouncements on, for example, the USSR after Brezhnev are studied here with a degree of attention second only to that accorded to statements from Washington.
- 12. The fundamental Italian hatred of being left out of restricted meetings or 'directorates' of any kind affects their attitude to the FRG, although we usually shoulder more of the blame. As always, the main Italian concern is not to appear to have been relegated to the second division; the Germans understand this, and adjust their presentation (not their policy) accordingly. There is also no doubt that Italy sees bilateral links with the FRG as one way of breaking down what in Giscard's time was seen as the excessive weight of the Paris/Bonn axis in the Community. I would guess that the Italians are far happier with the fluid situation that seems to be emerging in intra-Community relationships.



Conclusion

13. Italy's relations with Germany are in good shape, and likely to remain so. Their joint interests are too extensive to be ignored by any government in Rome. We need not view this close relationship with concern; it is a positive development for Europe and helpful to us in many fields (not least defence). But we should try to ensure that our views in Rome carry at least as much weight as those of the FRG. Given the considerable efforts devoted to this country by the German government from the Chancellor down, that can no longer be taken for granted. A small sign of the times is that some journalists to whom I have spoken regard London as a fringe posting; and certainly Italian press reporting from Bonn is much more comprehensive. As always, the dilemma for Italy arises in periods of German-US tension. Kohl's succession has done much to remove this particular problem. It is too soon to judge whether a more left-inclined SPD will create a new set of problems for Italy, particularly in its possible impact on the Italian parties of the left. We shall watch this carefully.

Your ever

T L Richardson

cc: A J Hunter Esq

Heads of Chancery:
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WARSAW 301515Z DEC 82

TELNO 1151 OF 30TH DECEMBER 1982

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CALL ON ARCHBISHOP GLEMP

1. I CALLED TODAY ON ARCHBISHOP GLEMP, I WAS ACCOMPANIED BY CANON MOSSMAN, THE VISITING EMBASSY CHAPLAIN, WHO TOOK WITH HIM A LETTER FROM THE ARCHBISHOP OF CANTERBURY.

2. ARCHBISHOP GLEMP RECEIVED US WARMLY AND WAS CLEARLY TOUCHED BY
THE GOOD WISHES FROM THE CHURCH OF ENGLAND AS CONVEYED BY CANON
MOSSMAN. HE THANKED THE CHURCH OF ENGLAND AND THE BRITISH PEOPLE
FOR THE HELP WHICH HAD BEEN GIVEN TO POLAND. HE SAID HE WAS
IMPRESSED AND SURPRISED BY THE DURABILITY OF THE SUPPORT WHICH
POLAND HAD RECEIVED FROM THE WEST.

1. ASKED HOW HE SAY THE GENERAL SITUATION. HE SAID THERE WAS

- 3. I ASKED HOW HE SAW THE GENERAL SITUATION. HE SAID THERE WAS NO GROWTH OF CONFIDENCE IN THE REGIME BY THE PEOPLE. BUT IT HAD TO BE RECOGNISED THAT THE REGIME ITSELF HAD LITTLE ROOM FOR MANOEUVRE. HE THOUGHT THE POPE'S VISIT WOULD TAKE PLACE AND THAT THE CHURCH WOULD NOT MAKE ANY CONCESSIONS. HE WAS NOT SURE WHETHER MARTIAL LAW WOULD BE LIFTED BEFORE THE POPE'S VISIT. HE AGREED THAT THE GOVERNMENT HAD VACILIATED BETWEEN LIFTING OF MARTIAL LAW AND SUSPENDING IT. FOR TWO WEEKS THERE WAS UNCERTAINTY. HE THOUGHT THAT A MIXTURE OF EXTERNAL AND INTERNAL PRESSURES HAD RESULTED IN THE GOVERNMENT NOT TAKING RISKS. OF COURSE THIS GOVERNMENT CALLED THENSELVES SOCIALIST, BUT IF THEY HAD BEEN REALLY SOCIALIST, THEY WOULD HAVE KNOWN WHAT TO DO FOR THE PEOPLE. BUT THEY WERE NOT.
- 4. I ASKED ABOUT THOSE STILL IN PRISON FOR OFFENCES UNDER MARTIAL LAW. DID HE HAVE ANY IDEA HOW MANY THERE WER? HE SAID THAT FIGURES VARIED FROM 8,000 AT THE MOST TO 1,600. THE THUE FIGURE WAS PROBABLY SOMEWHERE BETWEEN THE TWO. HE SAID THE CHURCH WAS TRYING TO OBTAIN THE RELEASE OF YOUNG PEOPLE, WOMEN AND THOSE WITH FAMILIES. THEY WERE ALSO TRYING TO GET PEOPLE MADE 'POLITICAL' PRISONERS WHERE THIS WAS JUSTIFIED RATHER THAN CRIMINAL OFFENDERS. IN GENERAL, THE CHURCH WOULD STRIVE FOR PEACE WITHIN POLISH SOCIETY AND FAVOUR HARD WORK. WORK WAS ESSENTIAL TO THE WELL-BEING OF POLIAND.
- 5. I ASKED HIM WHETHER THE AUTHORITIES CLAIM THAT THINGS WERE GETTING BETTER ECONOMICALLY WAS JUSTIFIED. HE SAID THAT HE THOUGHT THERE WAS A SMALL IMPROVEMENT. SOME ELEMENTS OF ECONOMIC REFORM

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HAD SUBSTANCE AND SHOULD BE SUPPORTED. HE REFERRED SPECIFICALLY TO THE RECENT DEBATES IN THE SEMM. (WHICH I AM REPORTING SEPARATELY BY SAVINGRAM). BUT HIS EXPERTS TOLD HIM THAT MARCH, SEPARATELY BY SAVINGRAM). BUT HIS EXPERTS TOLD HIM THAT MARCH, SEPARATELY BY SAVINGRAM). BUT HIS EXPERTS TOLD HIM THAT MARCH, SEPARATELY BY SAVINGRAM OF MEXT YEAR WOULD BE VERY DIFFICULT MONTHS FOR THE PEOPLE AND THAT THERE WOULD BE SEVERE SHORTAGES OF MEAT AND FATS ESPECIALLY.

- 6. ON CHURCH/STATE RELATIONS, HE SAID THAT THERE WAS TALK BUT NO UNDERSTANDING. THE CHURCH WOULD BE CONTENT IF THE AUTHORITIES DID NOT OPENLY ATTACK THEM. HE SAID THAT THE GOVERNMENT HAD TRIED TO GET HIM TO APPEAR ON TELEVISION BUT HE HAD REFUSED.
- 7. ON THE NEW TRADE UNIONS, HE THOUGHT THAT AS TIME WENT ON MORE WORKERS WOULD JOIN THOUGH THE CHURCH WOULD NOT INVOLVE ITSELF DIRECTLY IN THIS MATTER.
- E. COMMENT. I FOUND ARCHBISHOP GLEMP IN CONFIDENT FORM. HE WAS, AS ALWAYS, DIRECT AND CLEAR. HE BELIEVES THAT THE POPE'S VISIT WILL BE A VERY GREAT EVENT BUT I DETECTED MUCH UNCERTAINTY HOW IT WOULD GO AND HOW THE AUTHORITIES WOULD TRY TO HANDLE IT.

FCO PLEASE PASS SAVING TO ALL SAVING ADDRESSEES

JAMES

[REPEATED AS REQUESTED]

ECOPIES SENT TO NO 10 DOWNING STREET]

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22 December 1982

I have seen Liotta of the MFA's East European division, whom you know, a couple of times recently. You are probably already you show, a course of times recently. You are probably already aware that he is sceptical about our and others' advocacy of a "flexible" approach towards Poland. It is hard to judge how much weight he carries within the MFA. I see, for example, that his director, Bottai, took a far more open attitude at the recent PoCo meeting (Copenhagen telno 450). Liotta likes playing the hard men, and probably is by instinct.

2. At any rate, he questioned the need to make any adjustments in our policy towards Poland. In his view - we spoke shortly before 13 December - Jaruzelski's measures would be purely cosmetic. We all knew in the West that we could not prise Poland away from the Soviet Union. The Russians were bound to win that particular hattle. But that was no reason to give them game, set and match by reconsidering and revoking such few measures as we had in place of reconsidering and revoking such lew measures as we had in place against Poland i.e. no rescheduling and no political contacts (c. para 4(d) of FCO telno 313 to UKDel NATO). Of course, NATO should reconsider its position in the light of developments in should reconsider its position in the light of developments in Poland, and we were right to urge such a reappraisal; but in Liotta's view the new Polish measures were most unlikely to warrant Diota's view the new Polish measures were most unlikely to warrent any change in NACO members' policies. The crucial criterion of the three we had established concerned tangible progress towards a free society and a dialogue between the Polish government, the Chich and Solidarity or its supporters. There was no way that Jarnæelski could satisfy this criterion, and it remained the bedrack of our position. We might lose this time round but should not give up hope for the future. And so on.

to beat the PCI. They used the controversy over the Soviet gas pipeline for the same purpose, and also to mark their distance from their DC partners in the coalition. Now we have the Antonov affeir, and the spectre of Bulgarian or even Soviet complicity in the attempt on the Pope's life. There may be general elections here as early as next spring, and in what is bound to remain a pre-electoral atmosphere the socialists could easily exploit any moves by the government towards "normalisation" of relations with Poland.



I do not believe that Italy would stand in the way of NATO policy adjustments. But I would not expect the Italians, on this occasion, to be out in front; indeed, a collective NATO decision is probably the only excuse a divided coalition government could plausibly deploy for adjusting its policies towards Poland; it would need some such cover. I think you will find it hard to shift the Italians away from the three criteria, and hard to shift the we should be careful not to push Colombo further than he can go. Fortunately our assessment of the 13 December measures does not seem to vary markedly from that of our partners.

flow ever.

T L Richardson

cc: TRED

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WASHINGTON

PARIS

BONN

MOSCOW

ARSAW

UKDEL NATO



With the compliments of SOUTH AMERICA DEPARTMENT

Foreign and Commonwealth Office London, S.W.1.

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British Embassy BRASILIA

26 November 1982

H D MacPherson Esq South America Department

1) cc WED 2) Hr. MacPhenson B.i.o.T. Sty facy 12) Hr. MacPhenson B.i.o.T. Sty facy 12) LZ B 02111 from

- 9 DEC 1982

VISIT OF BRAZILIAN FOREIGN MINISTER TO ITALY, 18-19 OCTOBER 1982

I refer to Mr Culshaw's letter of 26 October and Mr French's letter of 4 November about the visit of Dr Guerreiro to Rome in October.

- To take first the point about Brazil's attitude to the PLO, the position is that the PLO are allowed an office in Brasilia but it is not officially recognised. The PLO representative has diplomatic status via the Arab League and not qua PLO representative.
- Secondly, to obtain a Brazilian view of the visit, I called this week on Conselheiro Orlando Galveas, who covers Italy and Austria in the MFA, and had accompanied Dr Guerreiro to Rome and Vienna.
- His account of the visit was generally in line with the report received from Rome. I commented that the timing of this visit after Colombo's to Brazil in August seemed unusually close and Galveas explained that Guerreiro's visit to Italy and Austria had been arranged in July in response to long-standing invitations. It was after this that Colombo had decided to include Brazil (and Buenos Aires) in a trip which he was already undertaking to South America in August. Thus no special significance should be read into the way in which one visit had followed close upon the heels of the other, although there was no doubt that Italy was making a particular effort to improve relations between Europe and Latin America as a whole after the Falklands war. The UN debate had of course been discussed and Galveas added that after the voting in the UN, the Italian Ambassador had made a point of explaining to his Brazilian colleague that Italy was in favour of negotiations although he had not been able to vote in favour of the resolution.
- I asked about the Economic Mixed Commission and Galveas said the new agreement was a revision and renewal of an existing one dating from 1956. It was to include economic, commercial and industrial matters but not scientific, cultural or technical cooperation questions which were each governed by separate agreements. He did not say when it would meet.



6. On other topics Galveas said that each side had propounded well-known positions. He elaborated, as Dr Guerreiro had done in Rome, on Brazil's position on Central America and her doubts about the US plan for the Caribe because of the possible long-term destabilising effect of allowing considerable power to the multinationals in such small countries.

J M Leiper (Miss)

cc: R French Esq, WASHINGTON R N Culshaw Esq, ROME With the compliments of 2 9 NOV 1982

BRITISH EMBASSY

ROME

FRENCH VIEWS

1. I gave lunch today to Bajolet of the French Embassy.

Franco/Italian Summit

- 2. He was gloomy about the chances of the Franco-Italian Summit taking place as planned on 12 November. Spadolini would fulfil the engagement if he possibly could, but Mitterand would need to be reassured that Spadolini was not a "lame cuck". Bajolet expected the Italian cancellation this afternoon, whatever the outcome of Spadolini's talks with Pertini. Mitterrand had no other dates available until 1983.
- 3. Bajolet said the plan had been for Spadolini to be accompanied only by Colombo. Lagorio was in Paris on 10/11 November on separate business, returning to France some gold coins originally given by Mussolini before the second World War but later returned by France. Lagorio would meet Hernu and would see Mitterrand at a large function. The Quai had resisted efforts by the French Embassy to include Lagorio in the Summit, since this would fuel press speculation in the wake of the Franco/German talks on nuclear defence.
- 4. Bajolet commented that the atmosphere might in any case not have been ideal for a Franco/Italian Summit. Spadolini's announcement of the McDonnell-Douglas purchase had upset Paris; the Farnesina were hinting that Colombo might yet try to reverse the decision, but this seemed improbable. Spadolini's plans for Spanish accession to the EC in January 1984 were also a bone of contention with the French, who feared that once Spain was in it would prove impossible for the Community to negotiate satisfactory terms for Spanish agricultural produce. Finally. Spadolini's over-optimistic and independent line in Washington on the pipeline and East/West economic relations had infuriated Cheysson. In Bajolet's view, Spadolini's sole porpose was to get the sanctions on Nuovo Pignone lifted, at whatever price, so that he could announce this as a political success.

Falklands/UN

5. Bajolet said that the French Ambassador in New York had received instructions two to three weeks before the vote that

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he should support the Argentine resolution. The Italians had been delighted to follow suit, but had implored the French nat to change their mind at the last minute, for example because of Mrs Thatcher's visit to Paris. When Mitterrand did decide to abstain, this was solely to improve Anglo/French relations and not connected with the merits of the new text. Colombo had been embarrassed and angry. Bajolet thought that by comparison the desaparecidos issue had been of minor importance in changing the Italian vote.

- 6. We discussed links with the Italian parties at some length, and I explained our difficulties. He said that the UDF had virtually no contact with the Christian Democrats, and that the Gaullists showed no interest whatsoever in any Italian politicians. The French Socialists were wary of cultivating Craxi too much because they found him ideologically unattractive and because they recognised that the PCI was the major popular left-wing force in Italy. Conversely, Berlinguer had better access than Craxi to the present. French government. Bajolet thought that after the PCE failure in Spain Berlinguer would be more keen than ever to reinforce his links with Social Democrats in Western Europe. None of the minor Italian parties had any worthwhile links in France. Finally, Bajolet said that his Ambassador enjoyed such good access to Craxi and Martelli that other Embassy staff did not spend much time at Via del Corso. Martinet's main aim now was to cultivate De Mita, but this was proving very difficult; the only consolation was that Piccoli had been worse, even snubbing a reception for Mitterrand.
 - Bajolet gave me the standard line on Franco/German defence talks. These were merely an application of the 1963 DeGaulle/Adenauer agreement, given added urgency because the replacement of Pluton by Hades missiles would give the French nuclear forces a wider range of targets in West Germany (and just over the border into East Germany). France was alive to the risk of decoupling Europe from the American nuclear deterrent, which was always the Italians' main concern. Finally, he thought the Comiso basing would proceed without much trouble, particularly if elections had been held by the time deployment began. The French Embassy's view was that it was best to let sleeping dogs lie rather than ask repeated questions about the coaltion policy on INF, as the American did.

R N CULSHAW

10 November 1982

cc: AA

Mr Morrice

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Mr M Richardson Mr Tuke (for party links file please)

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ROME

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TELELETTER

FOLLOWING FROM:

FILE REFERENCE:

FOLLOWING FOR :

COPIED TO :

23 NOV 1982

R E PALMER, BEIRUT

021/2 16 NOVEMBER 1982

E CHAPLIN ESQ, NENAD, FCO.

DOT (OT5), ECGD, DAMASCUS, TEL AVIV, PARIS, ROME, WASHINGTON, UKREP BRUSSELS.

VISIT TO LEBANON BY ITALIAN FOREIGN MINISTER.

1. SGR COLOMBO PAID A 24 HOUR VISIT TO LEBANON ON 9/10 NOVEMBER. HE SAW THE PRESIDENT, PRIME MINISTER, SPEAKER OF THE PEOPLE'S ASSEMBLY AND THE FOREIGN MINISTER. HE VISITED THE ITALIAN CONTINGENT TO THE MULTI-NATIONAL FORCE.

2. THE ITALIAN AMBASSADOR GAVE A COMMUNITY BRIEFING ON THE AFTERNOON OF 11 NOVEMBER. IT WAS WELL ATTENDED WITH THE NOTABLE EXCEPTION OF THE FRENCH, WHO WERE NOT REPRESENTED. (FRENCH ABSENTEEISM HAS BECOME A FREATURE OF COMMUNITY COORDINATION HERE).

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3. THE ITALIAN AMBASSADOR SAID THAT SGR COLOMBO'S TALKS CONTINUED THE DIALOGUE STARTED DURING PRESIDENT GEMAYEL'S VISIT OR ROME LAST MONTH. THEY PRODUCED LITTLE THAT WAS NEW. SGR COLOMBO WAS HOWEVER STRUCK BY THE FORCE WITH WHICH THE PRIME MINISTER AND SPEAKER OF THE PEOPLE'S ASSEMBLY PUT FORWARD THE VIEW THAT ISRAEL MUST WITHDRAW FIRY AND THAT THE ISRAELI OCCUPATION OF LEBANON WAS DIFFERENT IN KIND FROM THE SYRIAN PRESENCE IN THE NORTH AND THE BEKA'A. HE, COLOMBO, HAD TRIED TO INJECT A SENSE OF REALISM INTO LEBANESE THINKING, LAYING STRESS ON THE STRONG CARDS THAT THE ISRAELIS HAD TO PLAY IN THE NEGOTIATIONS. HE WAS GLOOMY ABOUT PROSPECTS FOR A SPEEDY WITHDRAWAL OF FOREIGN FORCES.

4. ON THE ECONOMIC FRONT AGREEMENT WAS REACHED IN PRINCIPLE ON A 100 MILLION DOLLAR LINE OF CREDIT FOR LEBANON WHICH WOULD BE TIED TO THE PURCHASE OF ITALIAN GOODS TO THE TUNE OF 85%. MOST OF IT WOULD BE AT CONSENSUS RATES OF INTEREST BUT A PORTION—MAY BE AS HIGH AS 25%—WOULD BE AT CONCESSIONARY RATES. A TEAM OF EXPERTS WAS EXPECTED SHORTLY TO NEGOTIATE A FINANCIAL PROTOCOL. ON RECONSTRUCTION SGR COLOMBO DID NOT SEE IMMEDIATELY HOW THE LEBANESE WOULD BE ABLE TO SPEND ANYTHING LIKE THE DOLLARS 12,000 MILLION FOR WHICH THEY HAD ASKED. IT WOULD BE SEVERAL MONTHS BEFORE PLANNING GOT UNDER WAY. MEANWHILE, ITALY WAS INTERESTED IN HELPING WITH EMERGENCY REPAIR WORK AND THE RESTORATION OF PUBLIC UTILITIES IN BEIRUT AND THE MAIN TOWNS.

- 5. I HAVE WRITTEN SEPARATELY ABOUT THE MULTI-NATIONAL FORCE.
- 6. I AM COPYING THIS TELELETTER TO DOT(OT5), ECGD, DAMASCUS, TEL AVIV, PARIS, ROME, WASHINGTON AND UKREP BRUSSELS. NENAD REGISTRY PLEASE PASS COPIES TO DOT AND ECGD. AND UKASP GRUNDS

SIGNED: RE PALMER

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Jolio (3) is missing



British Embassy Via XX Settembre 80A 00187 Rome

Telex 61049 Telephone 4755,441



H D MacPherson Esq	Your reference
SAMD	Duranforance
FCO London SW1	Date 26 October 1982
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that Europe un inflexib	LIDB

VISIT OF THE BRAZILIAN FOREIGN MINISTER TO ITALY

- 1. Saraiva Guerreiro paid an official visit to Rome on 18/19 October, leaving for Vienna on 20 October. He saw President Pertini, Fanfani (President of the Senate), the Speaker of the Chamber of Deputies, and Colombo. The following account is based on a Community briefing given today by Barbarani of the MFA.
- 2. Barbarani said that this visit reciprocated Colombo's trip to Brazil in August, and should be seen as part of Italy's efforts to improve links between Europe and Latin America in the wake of the Falklands war. A particularly close understanding had been re-established between Italy and Brazil. In their discussion, part of which was tete-a-tete, the two Foreign Ministers agreed to concentrate on international questions, leaving bilateral issues to be dealt with separately by officials.
- 3. Saraiva Guerreiro said that Italy's initiative in seeking to renew contacts with Latin America was welcome. The Falklands war had left_serious problems but should not obscure the fact that links between Latin America and the EC were basically good. There were trading problems, eg over sugar and steel, but the \$600 million loan given by the European Coal and Steel Community to Brazil for mineral exploitation was an example of the benefits which Latin America could derive from the relationship. Colombo replied that Italy was keen to play an active role in promoting further links, both between COREPER and GRUIA in Brussels and in talks between the EC and the Andean Pact. Colombo added that the normalisation in Bolivia gave the latter talks new impetus.

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- 4. The two Ministers discussed the Argentine UN resolution on the Falklands. Saraiva Guerreiro said that because of internal difficulties, the Argentine regime could not have produced a more moderate text. It was essential for negotiations to begin afresh. Colombo replied that the UK rejected the concept of negotiations for understandable reasons, but that Italy favoured a resumption of dialogue. It would be a mistake to give Latin American public opinion the impression that Europe was inflexible. (We know from other MFA contacts that Colombo was much influenced by Saraiva Guerreiro's insistence on negotiations, and indicated that Italy would, if possible, vote in favour of the draft resolution see Rome tel no 543, not to all).
- 5. Colombo asked Saraiva Guerreiro about territorial disputes within Latin America. Saraiva Guerreiro replied that Brazil tried to exercise a moderating influence but never intervened in the internal affairs of other countries. More use should be made of the OAS as a forum for discussing regional problems. No Latin American country really wanted to exclude the United States from the OAS; the existing structure should be perfected, rather than replaced.
- 6. Discussion then turned to Central America. Saraiva Guerreiro spoke of "structural crisis" in the region and added that the disastrous economic situation favoured "progressive" solutions. (Barbarani commented wryly that it also favoured extreme right solutions). Saraiva Guerreiro pointed to Nicaragua's search for weapons and support for guerrilla movements as a factor of instability, and also had harsh words for Honduras. He criticised the US plan for the Caribbean basin, describing it as a device to concentrate attention on areas of interest to the United States and to permit increased activity by the multinationals. When pressed by Colombo he had few constructive suggestions to make about Central America.
 - 7. The two Ministers ended their talks with a rapid tour d'horizon, as follows:-

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- (a) East/West. Colombo explained the present imbalance in INF, and stressed the need for early progress in the START talks. He was pessimistic about the prospects for CSCE and MBFR.
- (b) Middle East. Saraiva Guerreiro said that Brazil had always favoured a solution based on Israel's withdrawal to pre-1967 borders and the establishment of an independent Palestinian state in Palestine. He admitted that this policy reflected the pressure of Arab immigrants to Brazil as well as his country's commercial interests in the Arab world. Brazil accepted the PIO as the legitimate representative of the Palestinian people, and allowed them an office in Brasilia. Colombo explained Italy's involvement in the Lebanese multinational force, and said that the Reagan plan and the Fez Summit had narrowed the gap between the West and the Arabs.
- (c) Southern Africa. Saraiva Guerreiro said that Brazil was interested in the region but had been unable for technical reasons to respond to the UN request to participate in a future multinational force for Namibia. He commented that withdrawal of Cuban troops from Angola would be a natural consequence of Namibian independence, but should not be made a precondition for it. The US Government were wrong to contemplate matters by insisting on an advance commitment from the Angolan government about Cuban withdrawal. Colombo said little.

8. An agreement on economic cooperation was signed, including establishment of an economic Mixed Commission. Barbarani did not provide further details about when or how often it would meet. According to press reports, one of Italy's aims will be to reduce her current trade deficit: Italy's exports to Brazil in 1981 were worth Lire 650 billion (£300 m), against imports of more than Lire 1100 billion (£500 m).



9. To sum up, this visit looks to have been another example of Italian activism in foreign policy with a sound commercial basis. Italian firms from the private and parastatal sector are involved in innumerable Brazilian projects, especially in the fields of energy and transport. Although no further exchanges of visits with Latin America are planned at present, there is no doubt that Italy is paying the area more attention than hitherto. When it suits her, Italy will invoke Latin ties to justify taking the lead in promoting better relations between Europe and Latin America. Unfortunately, the same arguments will be used to explain her unhelpful line over the Falklands.

ff g Advingment R N CULSHAW

25 October 1982

cc: Chancery, Brasilia Chancery, Washington R P Osborne Esq, WED



R O Miles Esq NENAD TCO

Dear Oliver.

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OZULI

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1 9 OCT 1982

BRITISH EMBASSY, ROME.

12 October 1982

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ITALY-MIDDLE EAST

1. I enclose a minute by Tom Richardson (who is on tour) recording his discussion with Moscato in the MFA at the end of last week. It covers Habib's visit here on 4 October and some of the developments on the ground in Beirut.

- 2. Since the demarche to the Lebanese on 2 October (paragraph 3), the Italian Ambassador is reported in this morning's press as having joined his US and French colleagues yesterday in a further approach to Fresident Gemayel. Gemayel is said to have undertaken to restrain the activities of Lebanese forces (some still said to be operating in plain clothes) in the camps and to allow the Ambassadors access to those arrested.
- 3. But news from Beirut this week has been overshadowed by Saturday's terrorist attack on the Rome synagogue as the congregation, with their children, were emerging from the service to mark the last day of the Jewish New Year. One small child was killed, his brother is dangerously ill, and more than 30 people were wounded, some seriously. The authorities believe that those responsible were Arab members of the "Black June" group, helped by Italian terrorists, but they have so far failed to run anyone to earth.
- 4. The PLO's representative here was quick to issue a statement of sympathy with their "Jewish brothers" and Arafat condemned the "monstrous crime" in a message to President Pertini. This has not prevented a violent reaction from the Italian Jewish community who have accused Pertini, the Pope, the Italian authorities and the press of having unleashed a flood of anti-semitic feeling as a result of the way they received Arafat during the IPU Conference last month. The Ministry of the Interior has come under particularly heavy fire for having failed to provide protection for the synagogue in the light of earlier attacks on synagogues in Paris and Vienna.
- 5. The Pope denounced the attack during his homily at the end of the moving service in St. Peter's Square on 10 October to canonise the Polish Franciscan monk who was martyred in Auschwitz in 1941. The Prime Minister's office yesterday issued a communique defending the Government and Pertini. The sense of outrage is almost universal but the party overtones are creeping in. For example, the PSI's party newspaper has rejected the possibility of any link





between the attack and the treatment afforded Arafat (Pertini is a socialist and Craxi, the party secretary, was another of those who received him); but it has joined the attack on the Ministry of the Interior, which is headed by a Christian Demorat.

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M K O Simpson-Orlebar

cc: A M Wood Esq WED, FCO

Chanceries: Beirut

Tel Aviv Paris Washington Minister Mr Culshaw o/r

ITALY-MIDDLE EAST

1. I saw Moscato briefly today. He was very busy but ran quickly over Habib's visit on 4 October and subsequent developments.

Habib

/That

2. In briefing Colombo, Habib said, despite the enormous difficulties in finding a way forward, there had been two positive developments: Amin Gemayel's election with Muslim support, and the departure of the Israelis from Beirut Airport, which in its small way had been a test of American determination. Colombo and Habib had agreed that while the Lebanese problem was small in itself compared to the overall Arab-Israeli conflict, it could poison the negotiating atmosphere and must therefore be solved if possible. Habib talked (the Italians thought over-optimistically) about the prospects of a start, at least, to Israeli and Syrian troop withdrawal from the Lebanon before the end of the year. The Americans would propose simultaneous and "autonomous" withdrawals i.e. no direct negotiations and the presentation of either withdrawal as a decision independently arrived at by the country concerned. But the Syrians were being very difficult.

Situation in Beirut

3. As you know, the Italian Government has been criticised in the press for letting its troops stand by while Lebanese forces raided the camps and took away Palestinians. The Ambasadors of the three troop contributing countries made a demarche to the Lebanese on 2 October. Moscato said they obtained some guarantees that future Lebanese police actions would respect certain principles: for example, the policemen must be in uniform, the names of those arrested must be taken down, their treatment would be humane and due legal process would be observed. The Italians hoped that these guarantees could be strengthened. But the real problem lay in Lebanese/Palestinian relations, and the Italians believed that the Lebanese government should negotiate with the PIO about the future of the Palestinian population in the Lebanon. Moscato gave me the attached copy of a MFA communique released yesterday which makes the same point. This will continue to remain a sensitive question here.

The Future

4. Moscato commented briefly that the Italians were now evaluating the multilateral force's mandate. On the one hand, the force was there to help the Lebanese restore their full sovereignty in the Beirut area; on the other, the references in the mandate to guaranteeing the safety of the civilian population could be construed more widely. I asked whether the Italians envisaged the use of their troops outside Beirut. Moscato replied that both the multilateral forces and UNIFIL could in principle deployed as buffer forces once the Israelis and Syrians had begun to disengage. This

This ties in with Lagorio's comment, reported in the Italian press, to the effect that the Italians were prepared to make available more parachute troops in the context of any expansion of the multilateral force's role.

T L Richardson

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The Alex County of the State of

9 October 1982

Mr Wood

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THE ITALIAN FOREIGN MINISTER'S IDEAS REGARDING RELATIONS WITH

1. With reference to your minute of 23 August to Mr Fearn regarding the ideas contained in Sr Colombo's message to the Secretary of State dated 17 August, following his South American tour. I think on balance we have every reason to share Sr Colombo's concern over the intention of certain South American countries to seek have seen themselves as an offshoot of Christian Western Europe and as defenders of Western values. As a result they have tended to align themselves with the US and Western Europe.

- 2. The current moves towards the NAM represent a rejection of this traditional approach in favour of a policy motivated by the belief that their interests will be better promoted by distancing themselves from the US and Europe and joining this Third World pressure group. Certain Latin American countries unfortunately appear to believe that there is more to be gained from a policy of confrontational pressure than by one of good relations.
- 3. In fear that Latin American association with NAM might well lead to it becoming a more effective pressure group without any corresponding benefit in terms of greater moderation. Linked to this move towards association with the NAM is a parallel initiative by certain Latin American countries to create an exclusive regional organisation which would largely supersede the OAS. This body would not include the US or the Anglophone Caribbean. Such moves are clearly designed to undermine the links with the West and to diminish Western influence.
- M.4. In the longer term I would not imagine that the US would have much cause for concern over greater European involvement in Latin America. Most of the difficulties so far have stemmed from German and French attitudes towards Central America. European countries have played a useful part in helping the US and Canada to encourage stability in the Caribbean and there is no reason why they should not make a similar, if less prominent, contribution in Latin America. The Americans have as much, if not more interest than we have in preventing any incursion in the region which the Russians would no doubt seek to exploit. And the US would clearly appreciate the EC taking on more of the aid burden which of course the majority of the EC countries are prepared to do, with the notable exception of the UK.
- 5. We have good reasons for being seen to be in favour of encouraging a European view and a reinforced Euro-Latin American relationship.

 Such efforts enable us to harness the prestige and weight of the Community behind our own fence-mending exercises which, on our own, are likely to have a more limited impact. Such efforts might also be instrumental in dissuading some of the key Latin American

countries from following the NAM road and the proposal to set up some new exclusive regional body. The EC is now too important a trading partner of Latin America not to be taken seriously and so it has the ability to exercise such a role. However, given our own preoccupation with budgetary constraints it will be difficult for us to make a positive contribution. While we cannot risk the wrath of the Community in the wake of the Falklands crisis by openly opposing their fence-mending exercises, which they see as vital to restoring relations, we are nevertheless effectively undermining their efforts through our attitude to further aid to Central America. It will require a very delicate balancing act if we are to succeed in giving the appearance of supporting European efforts to improve relations with Latin America, while at the same time refusing to contribute to the cost. Our present stance seems to annoy both our EC Partners and the Latin Americans. Partly with this in mind we want every opportunity to be taken to reassure our European Partners that we intend to play a full role in restoring Western/European relations with Latin America. We are therefore including positive passages along these lines in the briefing for the forthcoming round of bilaterals between the Secretary of State's EC colleagues, and hope also to promote the insertion of an appropriate passage in the Presidency statement at the UN.

R. J. Chase

27 August 1982

South America Department 233 4970

Copy to: Sir J Bullard

Mr Walden, Planning Staff

Mr White, MCAD Mr Edwards, WIAD Mr Bone, ECD (E) Mr Fearn, SAmD

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LATIN AMERICA

- l. Sir Julian Bullard mentioned in his minute of 18 August that he would be interested to know what departments thought of the Italian Foreign Minister's ideas as expressed in his message of 17 August to the Secretary of State. This is more for you than for me, but I wonder if you might like to take account of two points:
 - (a) Colombo is no doubt preaching to the converted when he says that Latin America should be kept as part of the Western family and implies there are dangers in a drift towards the non-aligned movement. There might however be something to be said for having more moderate members in the NAM and there are dangers in our building up our relationship with the area as a sort of surrogate for the United States. The Americans would no doubt be happy enough with increased European aid but might find the increased determination by the Europeans to play a political role awkward. One has only to think of French policies towards Central American countries to illustrate the point. We in Europe already have our differences with the Americans over the Middle East, which is much more important to us.
 - (b) The 'Euro-Latin American relationship' only exists in very general terms. It is probably more real for Italy than the UK which has more particular interests (eg Belize and Guyana as well as the Falklands). Even so Europe has a different relationship with the different countries of the area (eg Chile or Brazil) and there are obvious problems about subordinating our particular interests and concerns to a generalised ideal,

A M Wood

23 August 1982

Western European Department

cc. Sir J Bullard
Mr Walden, Planning Staff
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British Embassy Via XX Settembre 80A 00187 Rome

Telex 61049 Telephone 4755.441

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COLOMBO'S VISIT TO LATIN AMERICA: CONTUNITY BRIEFING

- 1. The MFA briefed us yesterday on Colombo's visit. They apologised for the delay (Colombo returned to Rome on 11 August); they had been waiting for the head of the MFA's Latin American division, who accompenied Colombo, to return but he was still in Chile. It was not a very exciting briefing, but I report it because it fills in one or two gaps in our telno 449 and in may letter to you of 12 August.
- 2. The MFA said that Colombo's main objective in visiting Peru, Prazil and Argentina had been to build bridges between Latin America and the West, to help avert the growth of isolationist foreign policies in the region and (in Argentina) to encourage a return to democracy. They played down the bilateral aspects of Colombo's visit, though doubtless these featured prominently.
- 3. In Peru, Colombo found the President and Foreign Minister anxious to get over this awkward phase in European/Latin American relations as soon as possible. Both in Peru and Brazil, there was some loose talk of forming a separate association of the was some loose talk of forming a separate association of the region, on Spanish and Portuguese-speaking countries of the region, on the grounds that unity of action within the OAS was hampered by the US and Caribbean presence, and that Washington would heed the US and Caribbean presence, and that Washington would heed Latin views more if the latter spoke with a united voice. The Latin views more if the latter spoke with a hunited voice. The Peruvians stressed however, that they wanted the OAS to remain in being and hoped for better relations with the Americane. On the Falklands, they recognised that a UN resolution this auturn affirming Argentine sovereignty over the Islands would be counterproductive; on the face of it, this seems to distence the Peruvians somewhat from the current Mexican initiative (see Peruvians somewhat from the current Mexican initiative (see Peruvians and ourselves, but without any predetermined outcome.
- 4. The Brazilians told Colombo that they had been completely taken by surprise by the Argentine invasion, not least because the Argentines had announced only shortly before that they wanted to prompt a UN initiative designed to speed up the negotiations. Their policy had been dictated by their wish both to safeguard Argentine/Brazilian relations and to maintain the best possible relations with us. The Brazilians did not believe that the



Present situation in the Islands could last long; the maintenance of UK troops there could only be a transitional arrangement, and there would have to be a "gradual political opening". In the forthcoming 6A the Brazilians would like a text which urged negotiations on both sides, entrusted the Secretary-General with the task of mediation, and cited previous Security Council and 6A resolutions. On the other hand, they would be opposed to specific references to decolonisation and sovereignty, which would lead to a lot of confusion, would not contribute to a solution and upset European/Latin American relations. Colombo said that any text should refer only to past Security Council (and not GA) resolutions. Nor would it help to talk about dealonisation or to quote the non-aligned text.

- 5. More generally, the Brazilians shared the Peruvian view that the crisis had not produced a lasting rift between Europe and Latin America. There were problems, but they had existed long before the crisis. Relations with Washington would be trickier to restore. There was no Brazilian interest in a purely Latin American regional organisation; in particular, the Brazilians did not want to isolate the Anglophone Caribbean.
- 6. Colombo spent 3 days in Argentina. He met the mothers of some of the "disappeared" at the Italian Ambassador's residence. He also saw representatives of the parties and talked to the pressr The meeting with the mothers had been the price that the Argentines had been asked to pay for Colombo's visit; but the Italians expect the Argentine military to insist that the cases of the "disappeared" be well and truly buried as a condition for returning power to the civilians. The Argentines appearently said that they were considering freeing political prisoners whose trials were still pending.
- 7. Colombo found the Argentines very worried about Central America. While they believed that political solutions in, for example, Salvador must emerge from within the countries themselves, they advocated outside support for any such solutions once reached, mentioning in this connection the Europeans, Mexico and Veneruela. They did not believe that Cuba was directly responsible for what was harrening in Central America, though undoubtedly it had profited. They were worried about recent changes in Bolivia. On inter-American links, the Argentines said that Panena had pressed for a meeting of Spamish and Portuguese-speaking Foreign Ministers only to set up some form of consultative organisation. The Argentines commented that they would like to strengthen Latin American unity, but not at the expense of relations with the Americans and Caribbean countries. They were opposed to the creation of new organisations.
- 8. Turning to the Falklands, the Argentines predictably told Colombo that they would persist in their claim of sovereignty.



They gave him two drafts, the first of a letter to the Secretary-General requesting the inscription of the Falklands item on the agenda of the GA (as distinct, I assume, from the agenda of the Fourth Committee); and a Mexican draft resolution agenda of the Fourth Committee); which cited previous Assembly, Security Council and non-aligned resolutions. I assume you already have this; if not please let me know and I will try to extract a copy. They confirmed that they would not negotiate bilaterally with Britain, but wanted negotiations in New York under the Secretary-General's auspices. Colombo made it clear that the Italians disagreed with these tactics. He repeated that any Assembly text should be confined to underlining the desirability of a resumption of negotiations, with a mandate for the Secretary-General but no specific references to previous resolutions (I am not sure whether he included SCR.502 and 505 in this context). Otherwie, Colombo said, the Argentines would find it hard to achieve wide support.

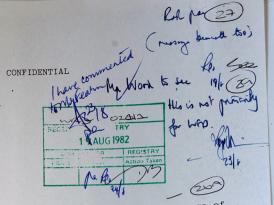
- 9. We were given a copy of the letter Colombo sent to his Community colleagues, including ourselves, on 14 August. No doubt you have already received it from the Italian Embassy in London. The MFA said vaguely that they expected to put forward some ideas for the handling of the Falklands question at the UN at the meeting of Foreign Ministers in Copenhagen on 9 September. On the assumption that Colombo will still be able to see Mr Pym in London on 7 September, you will have an opportunity to disabuse Colombo of any wild ideas for a consensus resolution.
- 10. Finally, I should record that according to the MFA there was no discussion in Buenos Aires of the arms embargo. We all greeted this news with some incredulity. I limited myself to saying that we certainly hoped that there would be an opportunity saying that the searly in September for serious Community discussion of the handling of the New York debate before our partners took any firm decisions, and reminded the meeting that we had often abstained on or voted against Argentine-inspired resolutions in the past because of the references they made to previous, unacceptable, resolutions of the Assembly. The MFA said that Colombo had made it clear to the Argentines that European/Latin American relations could be set back by a messy UN depate.

Tom our con on T L Richardson

cc: BIS, BUENOS AIRES

BRASILIA, LIMA, PARIS, BONN, COPENHAGEN, WASHINGTON, UKMIS NEW YORK, UKREP BRUSSEIS Chanceries:

R P Osborne, WED, FCO



Mr Giffard cc Mr Ure o.

cc Mr Ure o.r.
ECD(E)
UND
MCAD
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ERD
Mr Walden
SAMD

LATIN AMERICA

- 1. We spoke about the Italian Foreign Minister's message of 17 August to the Secretary of State.
- 2. As regards Argentina and the Falklands Islands, we agreed that the draft message being prepared for the Secretary of State to send to his colleagues in the Ten should refer (politely) to colombo's message, but should explain the limitations on our ability to accept the concept of a 'dialogue between London and ability to accept the framework of the United Nations' a concept which seems self-evidently right to Colombo. The drafting of this message is going to be tricky and I should like the opportunity to contribute.
- 3. At slightly greater leisure, I should be interested to know what you and departments think of Colombo's other ideas, some of them more substantial than is often the case in these Ministerial messages, eg the tendency of Latin American governments to edge toward the non-aligned movement (para 1), the prospects for toward the non-aligned movement enactionship' (also para 1) and the suggestion that the Ten should shoulder part of the economic burden in that region (para 5).
- 4. Separately, or as part of the same exercise, we shall have to consider how far we can go along with Colombo's thoughts about contributing to a perspective of political equilibrium in Central Contributing to a perspective of political equilibrium in Central America (para 6). Incidentally, the Chargé d'Affaires at the American Embassy told me yesterday that he presumed that the bullish piece in the New York Herald Tribune about the improving bituation in Central America was an attempt by the Latino lobby in Washington to rally support for President Reagan's Caribbean initiative, which threatened to run into the rocks for lack of funds.

ササ

J L Bullard

18 August 1982

Ambasciatu d'Italia a Londra Il Ministro

London, 17th August 1982.

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PS (PO)

Sir J. Bulland

Mr. G. Hard

Eco (E)

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Dan Greigh knetary

In the absence of Ambassador Cagiati, at present ERD in Scotland, I take pleasure in enclosing, herewith, a message addressed to you by the Italian Minister for Foreign Affairs, Signor Emilio Colombo.

Please Seliere me, very sincerely

Luigi M. Fontana Giusti, Minister.

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The Rt. Hon. Francis Pym, MC., M.P.,
Secretary of State for Foreign and Commonwealth Affairs,
Foreign and Commonwealth Office,

LONDON, S.W.1.

encl.

NSIEUR LE MINISTRE ET CHER COLLEGUE,

DE RETOUR D'UN VOYAGE EN AMERIQUE LATINE, QUI M'A CONDUIT
AU PEROU, AU BRESIL ET EN ARGENTINE, JE DESIRE FAIRE PART A VOUS-MEME
COMME AUX AUTRES COLLEGUES DE LA COMMUNAUTE, DE QUELQUES REFLEXIONS ET
ETRE
APPRECIATIONS QUI POURRONT, JE PENSE, / DE QUELQUE UTILITE POUR LE TRAVAIL COMMUN DANS LE CADRE COOPERATION POLITIQUE EUROPEENNE. A LIMA,
OUTRE J'AI REUNIS
EN / TOUS LES AMBASSADEURS ITALIENS AUPRES DES ETATS LATINO-AMERICAINS ET J'AI PU AINSI OBTENIR UNE VUE D'ENSEMBLE DE LA SITUATION
DANS LA REGION.

- 1. LE PROBLEME D'UNE RELANCE DU RAPPORT EURO-LATINO-AME RICAIN APRES LE CONFLIT DES FALKLANDS EST PARTOUT RESSENTI VIVEMENT. IL EST VIVEMENT RESSENTI, DIRAIS-JE, EN TERMES A LA FOIS POLEMIQUES ET CONSTRUCTIFS, EN CE SENS QU'IL EXISTE DES RESSENTIMENTS ET DESMA LENTENDUS, MAIS QU'IL EXISTE EN MEME TEMPS UNE FORTE VOLONTE DE DIA LOGUE. SUR LES RESSENTIMENTS DERIVANT DU CONFLIT POURRAIT PREVALOIR (BIEN ENTENDU AVEC DE PLUS GRANDES DIFFICULTES EN ARGENTINE) - IL ME SEMBLE - LA FERME RESOLUTION DE DONNER ENFIN LE DEPART A UN RAPPORT QUI DEVIENNE PLUS POLITIQUE ET QUI SOIT PLUS SUIVI ET PLUS INTENSE. ENTRE LES DIX ET LE MONDE LATINO-AMERICAIN. IL FAUT VEILLER TRES ATTENTIVEMENT A UNE TENDANCE QUI SE MANIFESTE AU VENEZUELA, ET PLUS RECEMMENT AUSSI EN COLOMBIE, EN FAVEUR D'UNE PLUS GRANDE INTEGRATION DE CES PAYS DANS LE MOUVEMENT DES NON-ALIGNES. IL N'Y A PAS D'IDEES PRECISES SUR LES MODALITES DE RELANCE DU RAPPORT EURO-LATINO-AMERICAIN. MAIS L'ON S'ATTEND CERTAINEMENT A LA FORMULATION DE PROPOSITIONS DE LA PART DES DIX ET, EN TOUS CAS, A UNE PRESENCE ET UNE ATTENTION PLUS GRANDES QUE PAR LE PASSE. JE PENSE QUE MEME LES VOIES BILATERALES DONT DISPOSE CHACUN DE NOUS SONT UTILES: MAIS IL EST NECESSAIRE DE NOUS COORDONNER DAVANTAGE. C'EST UN DESIR DE TOUS, MAIS PARTICULIE REMENT ESPLICITE AU BRESIL; PAYS QUI ME PARAIT DECIDE A ASSUMER TOU-JOURS PLUS NETTEMENT LE ROLE ET LES RESPONSABILITES QUI LUI REVIEN-NENT.
- 2. PERSONNE N'A DISSIMULE LA PREOCCUPATION AVEC LA-QUEL-LE ON CONSIDERE LA DETERIORATION DES RELATIONS AVEC LES ETATS-UNIS.

ELQUES-UNS DES ASPECTS DU COMPORTEMENT AMERICAIN AU COURS DE LA CRISE RECENTE ONT ETE RESSENTIS PLUS ENCORE QUE LA SOLIDARITE COMMUNAUTAIRE AVEC LA GRANDE-BRETAGNE. A TORT OU A RAISON, ON AVAIT COMPTE SUR UNE SOLIDARITE INTERAMERICAINE QUI AURAIT PREVALU SUR TOUTE AUTRE CONSIDERATION.

- 3. L'ARGENTINE CONSTITUE NATURELLEMENT UN CAS PARTICULIER. LE PROCESSUS D'ACHEMINEMENT VERS LA DEMOCRATIE ME SEMBLE
 SUR. TOUTEFOIS, EN RAISON DES TRES SERIEUSES CONDITIONS ECONOMIQUES, FINANCIERES ET SOCIALES ACTUELLES, ET DU PROBLEME QUE REPRE
 SENTE LA GRAVE BLESSURE INFLIGEE A SON ORGUEIL NATIONAL, LA TACHE
 DE FORCES DEMOCRATIQUES N'APPARAIT PAS FACILE. CELLES-CI, EN OUTRE,
 APRES AVOIR ETE LONGTEMPS ELOIGNEES DES PROBLEMES CONCRETS, AURONT
 INDUBITABLEMENT DES DIFFICULTES A ASSUMER LES DURES RESPONSABILITES
 ACTUELLES QUI S'IMPOSENT POUR TRACER LE CHEMIN VERS UNE REPRISE DU
 PAYS.
 - 4. TOUJOURS EN CE QUI CONCERNE L'ARGENTINE, LE PROBLEME SE POSE EN OUTRE DES INITIATIVES QUE BUENOS AIRES ENTEND PROMOUVOIR AU COURS DE LA PROCHAINE ASSEMBLEE GENERALE DE L'ONU. AVEC L'AP-PUI D'AUTRES PAYS LATINO-AMERICAINS (DONT PRINCIPALEMENT, DANS CET TE PHASE, CELUI DU MEXIQUE) L'ARGENTINE VISE A UNE RESOLUTION QUI, DE QUELQUE FACON, EQUILIBRERAIT, AUX YEUX DE L'OPINION PUBLIQUE, LA GRAVE DEFAITE QU'ELLE A SUBIE. J'AI ETE TRES FRANC. J'AI DIT QUE DU COTE ITALIEN, MAIGRE LES DEGATS CAUSES PAR L'INADMISSIBLE COUP DE FORCE ARGENTIN, ON POUVAIT CERTES SOUHAITER UNE REPRISE DU DIA-LOGUE ENTRE LONDRES ET BUENOS AIRES QUI SE PREVAUDRAIT DU CADRE DES NATIONS UNIES. MAIS J'AI AJOUTE QU'IL NE ME SEMBLAIT PAS ACCEPTABLE DUCOTE EUROPEEN QUE L'ON PRETENDE DONNER, MOYENNANT UNE RESOLUTION DE L'ASSEMBLEE GENERALE, DES INDICATIONS PREJUDICIELLES ET DE NATURE A CONSTITUER UN ENGAGEMENT SUR LES OBJECTIFS DU DIALOGUE TOUCHANT AU FUTUR DE L'ARCHIPEL DES FALKLANDS. JE PENSE QUE DU COTE EURO-PEEN IL EST NECESSAIRE DE SUIVRE DE PRES L'EVOLUTION DE CE DEBAT, SOIT A BUENOS AIRES, SOIT DANS LES AUTRES CAPITALES LATINO-AMERICAINES, ET AUSSI POUR EMPECHER QU'EN SEPTEMBRE PROCHAIN NE SE DETERMINE UNE

NOUVELLE SITUATION DE FORTE POLEMIQUE DANS LE CADRE OCCIDENTAL,
QUI VERRAIT L'EUROPE ET L'AMERIQUE LATINE SUR DES LIGNES OPPOSEES.
NOUS DEVONS, A MON AVIS, FAIRE TOUT LE POSSIBLE POUR EVITER CELA,
OU TOUT AU MOINS POUR ATTENUER AU MAXIMUM, DANS UN ESPRIT DE LOYAUTE
RECIPROQUE ENTRE EUROPEENS ET LATINO-AMERICAINS ET DE COMPREHENSION
DES POSITIONS RESPECTIVES, LES RIPERCUSSIONS NEGATIVES D'UNE TELLE
POLEMIQUE.

- 5. JE CROIS QUE NOUS DEVRONS AUSSI REFLECHIR A CE QU'IL NOUS CONVIENT DE FAIRE EN FACE DES SERIEUX PROBLEMES ECONOMIQUES ET FINANCIERS DES PAYS LATINO-AMERICAINS. LES DIX, CERTES, NE DOIVENT PAS S'EN FAIRE UNE CHARGE EXCLUSIVE, MAIS IL NE ME SEMBLE PAS SAGE D'IGNORER LA SITUATION NI DU POINT DE VUE POLITIQUE, NI POUR CE QUI A TRAIT AUX INTERETS IMPORTANTS DE CHACUN DE NOUS EN AMERIQUE LATINE.
 - 6. DANS LE CADRE LATINO-AMERICAIN, LE PROBLEME PARTICULIER DES ETATS DE L'AMERIQUE CENTRALE SE FAIT TOUJOURS PLUS AIGU
 ET PLUS CONFUS. IL Y A/RISQUE QUE SUR LES TENSIONS ET DIFFICULTES
 LOCALES NE VIENNE SE GREFFER, PLUS DANGEREUSEMENT ENCORE QUE JUSQU'A
 PRESENT, LA TEMATIQUE DE LA CONFRONTATION EST-OUEST. JE CROIS
 DONC QU'IL EST NECESSAIRE DE REPRENDRE L'ARGUMENT ENTRE LES DIX, EN CHER
 CHANT A SOLLICITER ET A CONTRIBUER AUX EFFORTS DES AUTRES PAYS EN ME
 SURE DE LE FAIRE (ETATS UNIS, MEXIQUE, VENEZUELA, CANADA), EFFORTS
 DESTINES A OFFRIR UNE PERSPECTIVE D'EQUILIBRE POLITIQUE, TOUT AU
 MOINS POUR LES PAYS DE L'AMERIQUE CENTRALE ENCORE SUSCEPTIBLES
 D'EN FAIRE LEUR PROPOS.

VEUILLEZ CROIRE, MONSIEUR LE MINISTRE ET CHER AMI,

EMILIO COLOMBO.



Foreign and Commonwealth Office London SW1A 2AH

Telephone 01- 233 4134

Charpse (25)
Very Phys

J M Edes Esq CMG
TRIPOLI

1 0 AUG 1982

Vour reference
Our reference
Date 3 August 1982

Vour reference
Our reference
Date 3 August 1982

BBC PANORAMA INVESTIGATION: ''MURDER IN THE AIR''

- 1. I am enclosing an extract from last week's ''Listener'' containing the transcript of a ''Panorama'' investigation broadcast on 26 July about the destruction in June 1980 of an Italian airliner with 81 people on board. The programme concluded that the aircraft had been hit by a radar guided air-to-air missile, fired by an unidentified fighter aircraft, and ended with a finger pointing very firmly in Libya's direction.
- 2. The People's Bureau in London have complained in a <u>note verbale</u> of yet another BBC/CIA plot to discredit the Jamahiriya, and we have replied along standard lines reminding the Libyans of BBC editorial independence (copies of exchange of notes to Tripoli only).
- 3. In the course of the programme the reporter, Tom Mangold, said that the results of the BBC investigation were being made available to the Italian investigators. Although some British experts were interviewed on the programme, we are not, I understand formally involved in assisting the Italian authorities. Clearly any British contribution to an Italian report which blamed Libya for the crash could damage our fragile relations and it would be helpful if Rome could keep an eye on this point.

D A Roycroft Near East and North Africa Department

cc: N W Browne Esq, MAED
N Armour Esq, WED
Chancery, ROME (with encl)

Tom Mangold The Italian aircrash mystery

TELEPHONE: 01-580 5577 29 JULY 1982 VOL 108 No 2771

'Life goes on' cover is meant for ael Dean's story about old age and the ng of his documentary based on a tric ward in a Balham hospital. He that by the year 2000 there will be nillion Britons over 70 and the number 0-year-olds will have increased by a However, Peter Brookes' drawing. d on the famous shoe advertisement, perhaps refer to other articles in this John Cole's political commentary the cod of the summer term at Westor perhaps, or Robert Burchfield's on the history of slang, 'Dustbin's', or even Michael Meacher's analysis dia bias. At a pinch it could have been for the distinguished Langham Malcolm Muggeridge, now happily

e Italian aircrash mystery

ing his 80th year.

d of term report John Cole

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personal view of the woman in Islam

estbin Words Robert Burchfield ie Great Groundnut Scandal ger Clark

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t of the Air

views by Gabriele Annan, D. J. right, John Vaizey, Paul Johnson, rghanita Laski

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ELLEN GERTALE HOLDS

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EDITOR: Richard Gilbert ANT EDITOR: Michael Poole Tons: Mary Gibson (chief) n Fearnside, Felicity Lloyd ANT TO EDITOR: Deborah Hartley ISEMENT MANAGER: Timothy Moore ATION SALES MANAGER: Gordon Nixon ILLESTRATION: Peter Brookes, with owledgement to Startrite Limited

Murder, at 25,000 feet, by person or persons

unknown

1 15 seconds before 9pm on Friday, to Palermo were murdered at 25,000 feet by person or persons unknown. To this day, the killer remains free; no official report has yet been published, and no detective has yet been ordered to investigate the crime. As time drags on, clues are vanishing, witnesses' memories fading, and public concern evaporating. Yet the destruction of Itavia flight IH 870 remains one of the most macabre murder mysteries of our time, with serious implications for airline passengers everywhere. If a British Airways Trident had been shot down with the loss of 81 souls, one might reasonably have expected some sharp answers pretty quickly.

IH 870, a DC9 jet, left Bologna in northern Italy on a routine flight to Palermo. Sicily. It was just after 8pm GMT. The plane carried 77 passengers and a crew of four. The official passenger list indicates only Italian names, and a subsequent check by the Italian secret service reportedly concludes that no unusual or distinguished

passenger was on board.

IH 870's route took it south across Italy, and under Rome airport's modern and efficient radar control it joined a major air route, 'Upper Amber 13', for its short journey across the Tyrrhenian Sea to Sicily. About 120 miles out, at the limit of Rome radar's operating ability, IH 870 was switched, as is normal, to radio control only. Surprisingly, the southern Tyrrhenian Sea does not have radar control for civilian flights. At 8.56pm, the pilot asked for permission to begin his descent. He was cleared to drop to 11,000 feet, but failed to acknowledge that clearance. For some eight minutes IH 870 was repeatedly called, without success. At six minutes past nine, a full emergency was called.

The following dawn, rescue helicopters

found some of the bodies (there were no survivors), some of the plane's seat cu . ions, a few bits and pieces of metal, 1 much more. That's all that remained IH 870. The rest had sunk 10,000 feet

beneath the waves, where it remains.

Later, the computer records of Rome air. port radar showed precisely what had hap-pened to the DCS. The plane was seen on course, at 25,000 feet, when, suddenly just before 9pm, the clear radar signal broke up, to be replaced by a series of tiny fragmented readings which drifted slowly eastwards with the prevailing jet-

stream. IH 870 had exploded The obvious causes for the catastrophe were either that the plane had suffered a massive structural failure and disintegrated, or that it had collided with another plane, or that a bomb had exploded on board. One further element, peculiar to the location, needed to be considered. The area, bounded very roughly by Rome to the north, Sicily to the south and Sar-dinia to the west, is infested by NATO fighters, warplanes, bases and exercise areas. The US Sixth Fleet aircraft-carriers also fly armed fighters in the area. 'There is,' said one Lufthansa pilot to me, 'a hell of a lot of iron up there at any time.'

of a lot of non-up there at any time.

Following the disaster, two formal investigations began. Dr Carlo Luzzatti, the dapper head of Alghero airport in Sardinia, was placed in charge of the technical investigation, and Dr Giorgio Santacroce, a vestigation, and Di Glorgio Gancacroce, a leading Rome magistrate, is in charge of the judicial inquiry. Luzzatti must conclude what happened, Santacroce must establish culpability. Then, and only then, will Italian detectives open their notebooks.

Although Luzzatti's work still remains unfinished, he did reach one or two key

Tom Mangold reported on the Italian aircrash mystery for last Monday's 'Panorama' (BBCI)

conclusions about the death of 1H 870. Despite the lack of forensic evidence, some precious clues were yielded by the corpses, the seat cushions and the metallic debris. Luzzatti established that there had been no structural disintegration of the DC9, nor had it been involved in a collision. He did establish that the plane had disintegrated as the result of an explosion either inside or outside the jet.

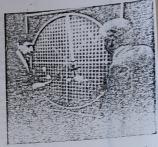
Luzzatti came to London, to the prestigious Royal Armament Research and Development Establishment (RARDE). He brought a few pieces of metal from the crash, including rivet heads found inside seat cushions and bodies. The DC9's skin is riveted from the inside, so the rivet heads are on the inside-how could they fly off into a body or a seat cushion unless there had been an explosion outside the plane? He carried more metal fragments, examined but not analysed in London. Several came from outside the plane, reinforcing the strong feeling of British air accident investigators (who were informally consulted) that there had been an explosion outside the plane.

Some clever scientific detection by Luzzatti's men produced two vital clues. First, a tiny piece of Sellotape, identifiably from a plastic tray always kept in the plane's galley, was found buried inside a passenger seat cushion. The tape had been blasted by an explosion from the galley (which is right behind the cockpit in a DC9) up the cabin aisle and into a seat cushion. This places the source of the explosion in the galley area on the starboard side of the plane. That's hardly the place for a terrorist to leave a bomb. Secondly, a small piece of crystal-clear plastic was found in a body. According to Douglas Higgs, head of Forensic Investigations at RARDE, this could only have come from the plane's window or window-protector-more evidence indicating an explosion from outside the plane blowing debris inside.

Indeed, RARDE has pioquered the science of explosions inside planes at its top-secret laboratories in south-east London. It is now relatively easy to prove an on-board explosion even from very little debris. No such evidence has been found by the Italian investigators.

But it was when Dr Luzzatti and his team moved to Washington that the first sensational break developed. They carried with them the full computer tape record of Rome radar shortly before and after the DC9 crash. Although Rome radar was operationally out of its range, it was still automatically and clearly recording events beyond that operational range.

There are basically two kinds of radar, Primary radar is the system by which a beam is sent into the sky, and when it strikes a plane, it bounces back, giving a definable coho or blip to the radar operator, who sees that on his screen. Primary radar tells you there's something out there, it indicates speed and direction, but not much else. Secondary radar is more sophisticated, and involves a plane deliberately identifying itself as it flies, by sending signals to ground radar stations. This is, for example, how commercial jets are



Dr Transue (left) and Tom Mangold examine radar blips indicating the presence of a 'malign' fighter close to the doomed DC9

accurately tracked as they fly. When a plane sends these signals it's said in the

trade to be 'squawking'.

The Rome radar tape was formally handed to the US National Air Transport Safety Board in Washington for analysis. A senior Performance Engineer, John Macidull, was assigned to the task. What he found on the tape quickly shattered the already weakened 'bomb' theory, and opened up a whole new can of worms.

opened up a winder lies and the same and a sum of the same and and on course, but he also saw something else. He discovered three primary radar blips close to the DC9. The first appeared behind and to starboard of the DC9, at one minute and 34 seconds before the explosion, the second appears 29 seconds later, still slightly behind, still to starboard, but now catching up and only 15 miles away, and the third blip appears 12 seconds offer the jet exploded, about five and a half miles to starboard and

John Macidull, himself a former fighter pilot with the USAF, had not the slightest doubt what he was looking at. He considered the three separate blips to represent the movement of one flying object. In his official report he concluded: 'An unidentified object traversed the area of the accident site from west to east at a high rate of speed at approximately the same time as the accident occurrence . the accident aircraft and the unidentified object were separated by several miles at the time of the accident.' And then, for good measure, he made the following melo-dramatic point: 'At the time of the accident and according to the radar information, the unidentified object west of the accident site was coming out of the sun in the direction of the accident aircraft, and the accident aircraft was looking into the sun (my italics) in the direction of the

The identity of that flying object has never, to this day, been established. No pilot has ever come forward and admitted that it was his plane on some harmless mission. No NATO airforce has any record of any plane in that area at that time. Most NATO fighters fly in pairs anyway. Since any pilot involved in an innocent

flight would not hesitate to admit he was the 'unidentified object' on the radar plot, and as no one has come forward, logic alone dictates two assumptions. First, there is a direct link between the unidentified object and the demise of the DC9, secondly, the presence of the unidentified object, an object with all the parameters of a modern military fighter, was malign.

Dr John Transue is a small, tidy man with a penchant for the pedantic and a huge weakness for Austin Healey sports cars. His old model looks incongrous parked beside the black staff Cadillacs and Lincolns of the Pentagon top brass in Washington. Dr Transue was until recently the Director of Air Warfare at the US Department of Defence. Today, he is still a Fentagon consultant with his own office in the famous building.

We asked Dr Transue to examine all the available evidence surrounding the crass of the DC9, and specifically to analyse in detail the official computer generated radar print-out which led to Macidull's discoveries. It is one thing to spot a 'zombie', as the trade calls suspicious unidentified objects, but it is another thing to prove a direct relationship between a zombie and the deliberate murder of 81 people.

Dr Transue took the evidence and computed an enormously complex series of facts and figures from the radar plotheights, speeds, closing speeds, relative distances, missile speeds, optimum firing ranges—the whole boggling arithmetic that surrounds the science of tactical air warfare. His conclusions were decoded for us with stark simplicity. Assuming the flying object was near the DC9 for malign reasons, then:

(1) The flying object displayed the precise characteristics of a modern jet fighter.
(2) Its approaches and turns relative to the DC9 were classically the tactics of a fighter on an attack manoeuvre.

(3) As the fighter closed on the hapless tivilian airliner, it must have fired its missile to strike, or explode very close to, the starboard side of the DC9.

(4) The attack must have been deliberate. The only air-to-air missile which qualifies for this attack would have been what is called a semi-active radar homing guidance missile. To fire this, the attacking pilot must first acquire his target by radar, 'illuminate' the target with his radar beam, then send his missile down that beam until it strikes. He must, therefore, consciously keep illuminating, or holding, the target for the entire duration of the missile flight—some 30 to 40 seconds. That positively rules out an accidental firing. Who and why?

A deliberate attack should rule out any. ATO fighter, or indeed any fighter from the Sixth Floet carrier (then the USS Saratoga, in Naples port all day on the day; no flying took place at all). Anyway, missiles must be accounted for to a whole raft of officers; to lose one or misfire one is a very serious offence. These things carried up very easily. Every NATO nation that flies the area has formally denied to the Italians (and again to us) having any planes in the area at that time. \$\frac{1}{2} \text{ to MS} = 1800.

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m,

<= 3 Coincidentally, three weeks after the crash, a Libyan airforce Russian-built MIG 23 invaded Italian airspace (it was probably spying), slipping under the ageing military radar at Marsala in Sicily, and eventually crashing at Castelsilano in southern Italy.

In a long and revealing statement, read into the official American congressional record last December, Dr Vittorfranco Pisano, a senior Foreign Law specialist in the European Law Division of the Library of Congress, catalogued a complex series of violent events between Italy and Libya, particularly in 1980-81. Libvan murder squads alone, operating in Italy and Sicily, assassinated five Libyan political exiles. There have been real political strains between both countries. Although none of this is in any way evidence in terms of the DC9 disaster-indeed, the Libyans have also formally denied that their planes were anywhere near the DC9 at the time of the explosion-it would be necessary to programme that political tension into any assessment of possible motive. Fighter planes are run by governments after all. Of course, any hostile or equally unaccountable airforce might have been involved.

Perhaps it would be a little cynical to wonder why the official Italian investigation still drags on after two years. These things do take time, but there is a growing restlessness, especially among Italian airline pilots, for more answers, and more answers now. ANPAC, the Italian Airline Pilots' Association, now blacks Upper Amber 13 whenever there are military exercises in the area. One plane has turned back, others have refused to take off, several have demanded rerouting on the flight to Sicily. And now, IFALPA, the International Federation of Airline Pilots' Associations, has warned its members around the world to follow the lead of their Italian colleagues.

But it's not crowded and ill-controlled airspace or reckless military manoeuvring that did for the 81 people on the Havia jet. If, as now seems most probable, an unarmed Italian airliner was deliberately shot down in Italian airspace by a murderer in a fighter plane, and the Italians are actually unable to establish who or why, then it is possible the official report may take even longer before dropping on the relevant Minister's desk in Rome.

Ultimately, given that the wreckage of the plane (and the answers) lies too deep for easy salvage, and given that two full years have now drawn a cloak over whatever dreadful passion caused the tragedy, it is not inconceivable that the final report will simply record some anodyne verdict. The real truth may just be too hard to come by, and too inconvenient to bear. We shall see.

The set of eight back numbers of THE LISTENER containing Joseph Hone's series, 'Russian Roundabout', is now available from BBC Publications, 144 Bermondsey Street, London SE1 3TH. £4.00, post free.

ONFIDENTIAL

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SISTRY

- 9 AUG 1982

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CONFIDENTIAL

DESKBY Ø611ØØZ

FM ROME Ø6Ø84ØZ AUG 82

TO IMMEDIATE FCO TELEGRAM NO. 488 OF 86 AUG 82

TELCON MCCLEARY/CULSHAW: ITALY/SOUTH AMERICA

1. ITALIAN VIP VISITS TO SOUTH AMERICA SINCE 1980 INCLUDE THE FOLLOWING (OUR FILES MAY NOT BE COMPLETE, AND THERE HAS NOT BEEN TIME TO CONSULT MFA):

PARLIAMENTARY DELEGATION URUGUAY NO VEMBER 1980 COLOMBO (FOREIGN MINISTER) VENEZUELA JANUARY 1981 GUNELLA (MFA JUNIOR MINISTER) ECUADOR JANUARY 1981 STATE VISIT OF PRESIDENT MARCH/APRIL MEXICO. PERTINI ACCOMPANIED BY COLOMBIA, 1981 COSTA RICA COLOMBO VISIT BY COLOMBO (SEE ROME PERU, BRAZIL, **AUGUST** 198#

ARGENTINA TELEGRAM NO. 488)

2. IN THE OTHER DIRECTION, OUR RECORDS SHOW ONLY A VISIT BY ZAMBRANO VALASCO, FOREIGN MINISTER OF VENEZUELA, IN MARCH

1982.
3. ITALY MAINTAINS CLOSE LINKS WITH SOUTH AMERICA IN MANY OTHER WAYS. VISITS AT A LOWER LEVEL ARE FREQUENT, BY INDUSTRIALISTS, ACADEMICS, JOURNALISTS, PARLIAMENTARIANS AND UNION LEADERS. THERE IS AN ACTIVE ITALY/LATIN AMERICA INSTITUTE IN ROME, FUNDED BY THE MFA.

4. ITALIAN IMPORTS FROM THE AREA IN 1980 WERE POUNDS 1.15 BILLION
AND EXPORTS WERE POUNDS 1.65 BILLION: THE 1981 FIGURES WERE
POUNDS 2.3 BILLION AND POUNDS 1.64 BILLION RESPECTIVELY, A VERY
MARKED INCREASE. THE STRENGTH OF THE BUSINESS LOBBY DURING THE
FALKLANDS CRISIS SHOWED HOW IMPORTANT COMMERCIAL INTERESTS IN
SOUTH AMERICA ARE TO SOME ITALIAN FIRMS.

 ITALY'S BILATERAL AID REMAINS LOW: 1980 FIGURES WERE AS FOLLOWS (WORLDWIDE TOTAL IN BRACKETS):

GRANTS TECHNICAL DOLLARS 7-8 MILLION (DOLLARS 101 MILLION)
DOLLARS 6-6 MILLION (DOLLARS 55 MILLION)

ARCULUS

MINIMAL FALKLANDS UNIT

S AM D TRED INFORMATION D

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British Embassy Via XX Settembre 80A 00187 Rome

Telex 61049 Telephone 4755.441

When the new Austin Aubersctor first celled on Ma Coordison he gave the inpression that the the Arbiga Presents a serious person obstacle to fine Your reference Fits- hotin theorem.

R P Osborne Esq WED FCO

Our reference

Date 3 August 1982

Rogle

Dear Roy ,

VISIT OF DR PAHR

1. Dr Pahr, the Austrian Foreign Minister, paid a working visit to Italy on 26/27 July and had talks with Colombo in Venice. This was to reciprocate Colombo's visit to Austria in September 1980. This letter is based on a downbeat Community briefing given by Vinci Giacchi of the MFA on 30 July, who was present at some of the talks.

- 9 AUG 1982

02111

- The main subject discussed was the Alto Adige, but despite misleading press reports (which may suit Dr Pahr's domestic purposes) this did not take up much of the four hours of talks between the two Foreign Ministers. Colombo said the Italian Government were close to finalising a package of administrative measures which would implement in full the 1969 agreement; it should be ready before the end of this year. In September Magnago would see Spadolini to discuss the difficult outstanding issues of the use of German in local tribunals and the guaranteeing of ethnic rights under the Italian constitution. Colombo added that once the package was complete, Austria should take note of the measures and thus put an end to the controversy so that bilateral relations could improve. In reply, Dr Pahr was very correct, confirming that these matters were the responsibility of the Italian Government and that Austria was bound by the Copenhagen agreement. He was not prepared to put any pressure on the German speaking population to accept the package. Vinci Giacchi said that Dr Pahr seemed almost to be going through the motions of raising this subject with Colombo.
 - 3. The two Ministers also discussed some minor bilateral problems concerning frontier traffic and relations between Italian and Austrian universities; the text of an agreement on the latter was finalised some months ago but has yet to be signed.



- 2 -

4. The two Ministers also had a wide ranging discussion of world affairs. Vinci Giacchi described the four main topics as follows:

a) East/West

Colombo outlined the views of Schultz as he had heard them in Washington; detente depended on a resolution of the Polish crisis, and Jaruzelski's recent moves were not a sufficient indication of flexibility on the part of the regime. Colombo produced his standard line on the perils of dividing Europe from the United States, and ran through current problems over steel, interest rates, and the pipeline. Dr Pahr spoke in favour of continuing economic aid to Poland and said that to stop the Siberian pipeline would do no real damage to the USSR. It was dangerous to use the politics of confrontation when dealing with the Eastern bloc. He spoke enthusiastically about detente and said that the resurgence of Bulgarian nationalism was one of its fruits (Vinci Giacchi said that the Italians could not understand his argument on this).

b) Middle East

Colombo described his brief talks with Habib who had made a transit stop in Rome. The two Ministers found themselves in broad agreement on the Lebanon problem. Both Italy and Austria had agreed to participate in a multinational force; Dr Pahr said that because of the Austrian constitution, any Austrian contingent would have to be volunteers and that a UN framework for the force would be required. Colombo asked whether this meant a Security Council resolution, but got no clear answer.

c) Cambodia

Dr Pahr described his recent visit to South East Asia, where he had seen the Vietnamese leaders. He was pessimistic about prospects for Cambodia, because of the fundamental clash of interests between China, USSR, and Vietnam.



- 3 -

d) Council of Europe

Dr Pahr explained the Austrian proposal to revitalise the Council of Europe. Colombo was non-committal, and Vinci Giacchi told us that the Italians had little enthusiasm for this.

- 5. There was no discussion of relations with the PLO or Libya.
- 6. Finally, Vinci Giacchi said that there was a longstanding invitation to Pertini to visit Austria. The MFA would not however advise him to go until the Alto Adige problem had been completely resolved.

Your war,

R N Culshaw

cc: Miss T A Gallagher, WED, FCO Chancery, Vienna Captain Foster, Venice G Pirie Esq, Milan

CONFIDENTIAL



British Embassy Via XX Settembre 80A 00187 Rome

Telex 61049 Telephone 4755.441

(3. Staty | 61.

Your reference

Our reference 021/3

Date 29 July 1982

W N Wenban-Smith Esq

EAD

FCO

Dear Wendam - Smith ,

ITALY AND THE HORN OF AFRICA

RECEIVED TO STORY

-3 AUG 1982

On Audis Ababa.

- 1. Smith's teleletter of 19 July from Addis Ababa.
- 2. I have discussed Palleschi's visit to Addis with Vecchi, who accompanied him. Despite misleading press reports, this visit was nothing to do with the Italo-Ethiopian Mixed Commission, which is due to meet in Addis in October. Palleschi's purpose was to resolve a series of outstanding bilateral problems, and he had considerable success. His visit had been planned for earlier in the year, but the Italians decided to wait for some sign of greater flexibility from the Ethiopians; Feleke's visit (my letter of 1 July) gave them that green light. It was pure chance that Palleschi's visit coincided with fresh fighting in the Ogaden; Vecchi hinted that Colombo was rather put out that Palleschi was able to make the political demarche described in FCO telno 93. Colombo took care to ensure that Palleschi had a personal letter from him to hand over (see the last sentence of my letter to Edgerton of 4 March).
- 3. Feleke's response to the Italian demarche was to deny that there were any Ethiopian troops inside Somalia. He would not be drawn on the use of aircraft (Vecchi was sceptical about press reports that the Somali Salvation Front had planes of their own). Feleke added delphicly that in any case the international border in that part of the Ogaden had never been defined. Feleke described Siad Barre's internal difficulties in lurid terms; northern units of the armed forces had fought those from the south, the people wanted a change, and Siad Barre had been obliged to resort to repression, arresting many former ministerial colleagues. Palleschi replied that Italy was aware of Siad Barre's difficulties but that they could not be said to justify Ethiopian action in the Ogaden; even if Somali dissidents



CONFIDENT

were responsible for recent fighting inside Somalia, they could not operate without the support of the Ethiopian regime, who let them enjoy secure bases just over the border.

- 4. Palleschi also saw Mengistu. After a discussion of bilateral matters, Palleschi said that if the Russian and Cuban presence could be reduced, Italy would have more scope for improving relations with Ethiopia. Mengistu retored that Ethiopia had not been the first country in the region to invite in the Russians, and that their assistance did not compromise Ethiopia's non-alignment. I suspect that Palleschi went through this ritual exchange mainly for domestic political reasons.
- Vecchi said that/five days of negotiation over bilateral problems were very hard, and that final agreement was only reached after an all-night session on 23 July. The Ethiopian Government had now for the first time accepted Italy's title to the Italian Government property which had been taken over after the revolution; in return, Italy would now pass legislation allowing the Ethiopians to continue their de facto use of most of these properties. The Italians would however be allowed to use four of the properties, including the former Consul's residence in Asmara, where the Ethiopians would let them build a new "interests section"(to avoid setting an awkward precedent about Consulates). On Italian schools, the Ethiopians had at first taken a very tough line but in the end had agreed that the Italians could establish a senior secondary school in Eritrea, in addition to the existing elementary and junior secondary schools; Ethiopians could continue to attend; a shift system would be introduced to make maximum use of the premises; the curriculum would have to be "in line with the principles of the Ethiopian revolution".
- 6. Palleschi's other success was to secure Ethiopian agreement to freedom of movement and departure for all Italian citizens in Ethiopia, many of whom have for years been used as hostages because of alleged outstanding debts to the Ethiopian state. The agreement is that Italy renounces outstanding claims to compensation for nationalisation of Italian assets after the revolution; an amount of compensation has been agreed, but it is to be offset against the notional debts of the Italian nationals and the balance is to be credited to the Italian Government in Addis but then deposited in a fund for development

/projects



- 3 -

/debts

projects. Vecchi said that this pragmatic and novel solution had to be accepted by both sides before 30 September; it caused the Italians some juridical problems, since the state was in effect accepting liability for/of private citizens, but the political argument for going ahead was unanswerable. Italyhad in any case long ago abandoned hope of receiving any meaningful compensation for nationalisation. Vecchi was confident that Italy's relations with Ethiopia would improve as a result of this settlement and that the Italian Embassy would henceforth be better placed to look after the interests of the 2,000 Italians in Ethiopia (including 800 in Eritrea and 1000 in Addis).

- 7. Vecchi said that the Ethiopians made no request for arms from Italy, but that an Ethiopian military team might come to Rome later this year for training.
- /package 8. Vecchi said that the economic/agreed during the visit (see para 3 of my letter of 1 July) was as follows:
 - a) A line of credit for development worth Dollars 80 million. This was a soft loan at 2.25%, with two years of grace and 11 years of repayment;
 - b) A Lire 200 billion line of credit at consensus rates (not in the written agreement because other Ministries in Rome first had to approve its terms);
 - c) A separate line of credit for Lire 200 billion at consensus rates, for "special operations" (Vecchi could not be more precise).
 - 9. Finally, I asked Vecchi about the Somali request to Italy for arms supplies. He said that it mainly referred to the supply of US weapons, including heavy equipment like tanks, which were already in Italy. Some Italian contracts which had already been approved were being speeded up; there was no question of been approved were being speeded up; there was no question of Italian military assistance. Vecchi said that the Italian Government had decided to be helpful to Siad Barre over arms,

/partly



& ASKED SOTTAL ABOUT THIS OR PS JOY! HE COMP

partly to offset the resentment which was bound to be felt in Mogadishu after Palleschi's visit to Addis. WASHINGTON, DENIS NEW YORK, PARIS, BOHR,

Se THE STALIAN PRESS PICKED UP A JUENOS ARRI ours two IGHAL RESTING OF ITALIAN AMBARKADORS IN LINA FROM

Aper (my R N Culshaw

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BECAUSE THE STALLARS HAD LAND DOVE CERTAIN CONDITIONS. IN PARTIC-

ILAN, COLORDO MUST BE ALLOWED TO MEET REPRESENTATIVES OF THE POLITIC Chanceries: Mogadishu Addis Ababa

R P Osborne Esq, WED, FCO ME. GRATERIA FOR INSTRUCTIONS OF YOU WISH TAKE IN HIS OFFICE. W. THIS VILL BE IN IMPORTANT WESTERS CONTACT WITH THE HEW ADDESTRANCE CONFIDENTIAL

FM ROME 2611457 JUL 82

TO PRIORITY FCO
TELEGRAM NO. 397 OF 26 JUL 82
INFO ROUTINE BRASILIA, LIMA
SAVING FOR INFO WASHINGTON, UK

SAVING FOR INFO WASHINGTON, UKMIS NEW YORK, PARIS, BONN, UKREP BRUSSELS, COPENHAGEN, BIS BUENOS AIRES

COLOMBO'S VISIT TO LATIN AMERICA

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URS

1. THE ITALIAN PRESS PICKED UP A BUENOS AIRES REPORT THAT COLOMBO
WOULD VISIT ARGENTINA IN EARLY AUGUST, AFTER ATTENDING A REGIONAL MEETING OF ITALIAN AMBASSADORS IN LIMA FROM \$2-54 AUGUST.

2. I ASKED BOTTAL ABOUT THIS ON 23 JULY. HE CONFIRMED THE REPORT,

SAYING THAT HE WOULD ACCOMPANY COLOMBO TO LATIN AMERICA FROM 82-15 AUGUST. AFTER LIMA COLOMBO WOULD GO TO BRASILIA; AND IT WAS ALMOST CERTAIN THAT HE WOULD THEN VISIT ARGENTINA; MEETING THE ITALIAN COMMUNITY ON THE EVENING ON 88 AUGUST AND HAVING TALKS ON 89 AUGUST. SLIGHT UNCERTAINTY REMAINED ABOUT THE ARGENTINE VISIT BECAUSE THE ITALIANS HAD LAID DOWN CERTAIN CONDITIONS. IN PARTICLAR, COLOMBO MUST BE ALLOWED TO MEET REPRESENTATIVES OF THE POLITICAL PARTIES, AND THE MOTHERS (NOT JUST THE ITALIAN MOTHERS) OF THE (FLG WD UNDLINED) DESAPARECIDOS. BOTH POINTS WERE A POLITICAL NECESSITY FOR THE PARTIES IN ROME. BOTTAI SAID THAT COLOMBO WOULD PASS ON ANY MESSAGES TO THE ARGENTINES IF WE WOULD LET THE MFA KNOW IN TIME. GRATEFUL FOR INSTRUCTIONS IF YOU WISH TAKE UP HIS OFFER.

3. THIS WILL BE AN IMPORTANT WESTERN COUNTED WITH THE THE WAREST,
REGIME, AND COLOMBO WILL MAKE THE MOST OF GOOD ITALIAN ACCESS.
THE ITALIANS HAVE NOT SAID ANYTHING TO US ABOUT NEGOTIATIONS OVER
THE FUTURE OF THE FALKLANDS AND KNOW OUR VIEWS; BUT THEY WILL

DUBTLESS BE BLANDI SHED BY THE ARGENTINES.

4. THIS INITIATIVE IN LATIN AMERICA WILL INCREASE THE VALUE OF BILATERAL TALKS ABOUT THE REGION THIS AUTUMN (YOUR TELEGRAM NO.

167, NOT TO ALL). AS FORECAST IN MY TELEGRAM NO. 348, FRANCESCHI
(DEPUTY POLITICAL DIRECTOR) WILL PROBABLY LEAD FOR THE ITALIANS, SO
WE SHOULD FIELD AN AUS. GRATEFUL TO KNOW IN DUE COURSE WHETHER DATES
IN OCTOBER ARE CONVENIENT-FOR OUR TEAM AND WHETHER WE INTEND TO
OFFER LONDON AS THE VENUE.

5. FCO PLASE PASS SAVING ADDRESSEES.

[REPEATED AS REQUESTED

ARCULUS

LIMITED
WED
S AM D
MCAD
ERD
NAD
MR GOODISON
MR URE

[NOT ADVANCED]

CONFIDENTIAL SAVING TELEGRAM

BY BAG

FROM PARIS

CONFIDENTIAL TO FCO TELNO 68 SAVING OF 9 JULY 1982 INDEX 1

COPY Its / form 1 2 JUL 1982 REGISTRY DESK OFFICER

REPEATED FOR INFORMATION SAVING TO ROME URREP BRUSSELS, WASHINGTON, BONN

VISIT OF THE ITALIAN PRESIDENT

- 1. President Sandro Pertini of Italy paid a State Visit to Paris between 5 and 7 July. He was the first Head of State to pay a full state visit since the change of government in France, and he came to Paris only 5 months after Mitterrand had visited Rome. In according Pertini this special treatment the French Government intended to mark its wish to place relations with Italy on the same level as those with Britain and West Germany. Pertini made a favourable impression and received an excellent press.
- 2. In addition to the usual formal events Pertini held two short rounds of talks with Mitterrand. Separate, more substantial discussions were held between Colombo and Cheysson, and between the French Ambassador to Rome and the Italian Ambassador to Paris. Pertini called on Chirac, in the latter's capacity as Mayor of Paris. After the conclusion of the official part of his visit he also received ex-President Giscard d'Estaing: each side maintains that this meeting took place at the request of the other.
- The bulk of the official talks were conducted en tête-àtête or in very restricted session, and our informants do not have a full record of what was said. The following account draws on press coverage and conversations with the Quai and the Italian Embassy.

International Affairs

- 4. These were discussed between Pertini and Mitterrand (but only in very general terms, as befitted the difference between their constitutional positions) and en têtea-tête between Colombo and Cheysson. Colombo told the press that the following subjects had been discussed:
- Lebanon The Lebanon crisis was in the forefront of discussions, but no new elements seemed to have emerged.
- Europe Colombo claimed to the press that French (ii) views on the proposed European Act were very similar to those of Italy. Discussion on enlargement had been "theoretical", but Italy had emphasised that the political value of Spanish membership of the Community should not be lost from sight. The

/Italians

CONFIDENTIAL

Italians had argued for a "gradual entry" of Spain, and had stated that Italy was proposing to make proposals which would facilitate this. The Quai told us that the French side questioned the positive tenor of the remarks made by Spadolini in Spain in favour of early Spanish succession to the EC (Madrid telno 388).

- (iii) Europe/US relations In his main public speech
 Pertini laid some emphasis on the need for better
 concertation between Europe and the US, while in
 contrast Mitterrand spoke of the urgent need for a
 political reinforcement of a European identity.
 The Quai told us that the French side encouraged
 the Italians to take as firm an attitude towards
 the US over the pipeline as they were doing, but that
 they were not entirely reassured by the Italian
 Peaction.
- 5. According to our informants Latin America was not discussed.

Bilateral Affairs

6. These were mainly discussed between the two Ambassadors. The following aspects were covered:

(i) Cultural co-operation

There was a general survey of the arrangements for teaching each other's language in schools. Italian proposals for the establishment of an Italian Institute in Paris were briefly discussed. The Italians complained at French plans to drop the brief daily broadcast in Italian carried by French radio, and a compromise was reached. The French displayed enthusiasm for the concept of an "éspace audiovisuel européen", created by the use of satellites to beam television programmes across frontiers.

(ii) Industrial and technological collaboration

There was inconclusive discussion of possible Italian participation in the Airbus 320, but the French concluded that Boeing was exerting strong counterpressures. The Italian delegation took the line that while bilateral contacts between technical and financial experts continued they were not in a position to discuss the project in substance. The joint civil airline project (AIR 42) was reviewed. The French expressed disappointment at Italian choice of American nuclear technology. They also made a strong bid for Italian purchases of French electronic equipment, in particular in connection with Italian plans to re-equip their national radio stations.

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(iii) Agriculture

The French made it clear that for domestic political reasons it was important that the new wine regulation should be agreed by the Council on 18/19 July. The Italians said that they hoped there would be no recurrence of last year's French administrative blockage of Italian wine exports to France, or of the incidents in which Italian wine was destroyed by French demonstrators. The Italians expressed private doubts to us whether the French Government would or could control anti-Italian demonstrations if these occurred.

(iv) Commercial relations

The French expressed disquiet at trends in the bilateral trade balance, where a traditional French surplus was on the point of turning into deficit.

7. This was a visit designed to symbolise the readiness of the two governments to work for a closer and more harmonious relationship rather than to reach agreements of political significance. Both sides seemed to think that its limited aim had been well achieved.

FRETWELL

[THIS TELEGRAM WAS NOT ADVANCED]
[COPIES SENT TO NO 10 DOWNING STREET]

STANDARD

WED

ECD

NAD

CABINET OFFICE



Foreign and Commonwealth Office London SW1A 2AH

Telephone 01-

Your reference

T L Richardson Esq Ourreference cived puidence telegrams from

ROME

29 June 1982

Den Richardson ITALY/CENTRAL AMERICA



- The question of US/Italian dialogue on Latin America has been discussed in your telegram 315 and FCO telegram 167. We agreed that it would be a good idea to promote a senior level meeting about Latin America later in the year.
- 2. Our main interest clearly lies in relations with the major countries of Latin America. With her large ethnic communities, especially in Argentina and Brazil, and strong trading links Italy should have much to offer. Nevertheless we see some virtue in keeping up the momentum of discussion with the Italians about developments in Central America, not least because of the links which the Italian Christian Democrats have with similar political parties there (notably in El Salvador). Until recently we have had a fairly regular exchange of views and information on Central America with Felicani of the Italian Embassy here. But he left last week and has not been replaced. Those who are now dividing his work between them seem to be less interested in the subject.
- 3 Your telegram 315 seemed to us to suggest that you felt in need of some briefing. Having consulted WED, I have therefore taken the liberty of putting together a background brief on Central America, with some suggested principal points to make, on which you may care to draw in your dealings with the Farnesina.
 - Some additional briefing material on Cuban activities in Central America, and on the Mexican and Honduran peace initiatives is also attached.



- 5. I am also enclosing a copy of Colum Sharkey's recent despatch on the elections in El Salvador about which you have received guidance telegrams from us.
- 6. We have not, however, included briefing on the question of EC aid to Central America. The recent exchange of telegrams with UKrep Brussels covers this subject adequately for the time being.
- 7. We should of course be most grateful for further reporting on Italian views from time to time.

a suce,

G M Baker Mexico & Central America Dept

cc: Mr Young (WED)
Mr Chase (S Am D)
Miss Young (ECD(E))

PS. We have just heard that the Italian Ambassador to Costa Rica will shortly be accredited on a non-resident basis to Belize. This is good news. We welcome any moves to help Belize to stand on her own feet and demonstrate to Guatemala that the international community accepts Belizean independence as an accomplished fact. As the attached brief indicates, we should be interested to hear whether Italy has any plans to give aid or technical assistance to Belize. Please let us know if Farnesina would like to know more about Belize.

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British Embassy PARIS

22 June 1982

ne 1982 Copy h Relearch Dept (Mr.)

Voung Esq FCO

De Rr.

VISIT OF THE ITALIAN PRESIDENT

1. The Elysée announced yesterday that President Pertini of Year trail will pay a state visit to France between 5 and 7 July-You will recall that President Mitterrand paid an official visit to Rome last February and held a long conversation with President Pertini. The promptness of this return visit is no doubt intended to maintain the impetus of efforts to give more warmth and substance to Franco/Italian relations.

C O Hum

cc: Chancery ROME

WRS 02111 24 JUN 1982 Action ... cen

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Folio 18 is missing.

Counties on the Ten in Brussel

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19 MAY 1982

CONFIDENTIAL Taken

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NENAD

cc Sir J Leahy o.r.
Mr J Moberly
WED
ECD(E)

HMA Tel Aviv Rome

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ISRAEL/ITALY

- 1. Over dinner at the end of the meeting of the Political Committee on the Ten in Brussels on 15 May Bottai (Italy) gave a very long account of Colombo's recent visit to Israel. I took notes but have since seen Tel Aviv telno 192 which contains almost everything of consequence said by Bottai.
- 2. He did however have rather more to say about the line taken by Colombo, which seemed to have been in full accordance with the general view among the Ten. For example, he had told the Israelis frankly that they were creating a crisis, that the disturbances on the West Bank were not a favourable element in the scene, that the participation in negotiations for a settlement must include the PLO and that "all parties in the peace process must be able to exercise the right of self-determination and free democratic choice'.

Jh

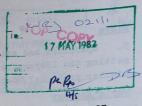
18 May 1982

J L Bullard

CONFIDENTIAL SAVING TELEGRAM

BY BAG CONFIDENTIAL BONN

TO FCO SAVING NO 25 OF 13 MAY 1982 INFO OTHER EC POSTS VISIT BY ITALIAN PRIME MINISTER



1. Spadolini and Foreign Minister Colombo came to Hamburg on 8 May for one of the regular six-monthly FRG/Italian consultations with Schmidt and Genscher. Spadolini went on afterwards to visit Berlin. We have been briefed by the Auswärtiges Amt.

Falklands

2. The Falklands crisis was the main topic discussed between the Foreign Ministers. They drafted a declaration for the Heads of Governments (my telno 437 not to all). This called for the full implementation of Resolution 502 and a ceasefire accompanied by the start of withdrawal by the forces of both sides. Colombo had explained at length the difficulties posed for him by the size of the Italian and Italian-origin community in Argentina. He had had considerable difficulty defending sanctions against Argentina at the recent congress of the Christian Democrats.

Spain/NATO

3. Schmidt had made clear to Spadolini German concern at a possible delay in Italian ratification. Apparently formal ratification under normal Italian procedures can only follow 14 days after the vote by Parliament. Spadolini said that this would not be a serious problem; the Italians attached great importance to Spain attending the NATO Summit in Bonn next month. Schmidt had also explained the concerns put to him by the Portuguese Prime Minister the previous week (but not revealed to us in the Community briefing - our telno 22 Saving) that Portuguese susceptibilities should be taken into account in any arrangements made for Spain.

INF

4. Schmidt had said that he found the current state of the INF negotiations thoroughly satisfactory. Spadolini had explained that there was growing public criticism of stationing in Italy and he saw a parallel, though belated, to the development of public opinion in the FRG.

Rel pai. (5



FCO

British Embassy Via XX Settembre 80A 00187 Rome

Telex 61049 Telephone 4755.441

W N Wenban-Smith Esq EAD

1 4 MAY 1982

Our reference Spoke to Godson
Our reference (3400) who with check
11 May 1982 who happens.

Leen Wifel,

ITALY AND THE HORN OF AFRICA

- 1. I had lunch with Vecchi (Italian MFA) today; he said he met you at the recent Anglo/Italian bilateral on African problems in London. I report one or two points of interest on the Horn as a follow up to Robert Culshaw's letter of 4 March to Edgerton (not copied to UKMis New York).
- Vecchi confirmed that there was continuing party pressure upon the Italian Government to "do something" about Eritrea. This pressure came from all parties except the Italian communists (PCI) and spanned the spectrum from neo-fascists to far left. Colombo had been made aware of it both before and after his recent trip to Addis Ababa. The Italian position on Erritrea, Vecchi said, was gloriously inconsistent; respect for Ethiopia's territorial integrity coupled with an invitation to the parties (i.e. including the Eritreans) to negotiate a peaceful solution, and respect of human rights. The Italians could not or would not take an initiative over Eritrea, at New York or elsewhere, but were faced with the difficulty that neither the Arab nor the Islamic Leagues would take action to which Italy could rally.
- 3. He asked me a number of procedural questions about the ability of dissident groups or "liberation movements" to obtain a hearing in New York. I told him, with dim memories of practice when I was there in 1974-8, that one or two of these (PLO, SWAPO) had the right to be heard, but not to vote, in the General Assembly, and that a wider swathe of movements, mainly from the Portuguese territories of those days, had had the right to address the Fourth Committee. In both cases, however, a majority vote of UN members was required, and I saw no prospect of the Eritreans getting a hearing in New York given the OAU's steadfast support of the principle of territorial integrity.
- 4. I report this simply as an indication of the way Italian MFA minds are moving. If I had to bet, I would guess that they would try to enlist Arab support for pro-Eritrean statements in the Human Rights Commission. I have not yet seen the record of the Anglo/Italian bilateral and do not know if the subject came up W in these terms. four ever.

T L Richardson

cc: Chanceries: MOGADISHU, ADDIS ABABA, KHARTOUM, UKMis NEW YORK, R P Osborne Esq, WED, FCO

GRS 400 UNCLASSIFIED FROM ROME 191620Z APR 82 TO PRIORITY FCO TELNO 173 OF 19 APR 82 INFO PRIORITY WASHINGTON, 27 APR 1982

INFO PRIORITY WASHINGTON, UKREP BRUSSELS, BONN

MIPT: GENSCHER'S VISIT TO ROME

FOLLOWING IS TEXT OF ITALO-GERMAN PRESS RELEASE

1. 'THE FOREIGN MINISTER, EMILIO COLOMBO, TODAY MET THE GERMAN FOREIGN MINISTER GENSCHER WITH WHOM HE HAD AN EXCHANGE OF VIEWS ON TOPICS OF COMMON INTEREST. AMONGST OTHER SUBJECTS, THEY EXAMINED THE LATEST DEVELOPMENTS IN THE ANGLO/ARGENTINE CRISIS, ON WHICH THERE WAS A COMPLETE CONVERGENCE OF ITALIAN AND GERMAN VIEWS. IN BOTH ROME AND BONN IN CONFIRMING FULL COMMUNITY SOLIDARITY WITH GREAT BRITAIN FOR THE ACT OF AGGRESSION AGAINST IT, THERE WAS SUPPORT AND ENCOURAGEMENT FOR THE DIFFICULT MISSION THAT SECRETARY OF STATE HAIG HAD UNDERSTAKEN WITH THE AIM OF AVOIDING, FIRST OF ALL, ARMED CONFLICT AND AN ENLARGEMENT OF THE CRISIS. A QUICK END TO THE PRESENT TENSION WOULD ALSO PERMIT, AS ALREADY FORESEEN, THE ABROGATION OF THE EC'S ECONOMIC MEASURES AGAINST ARGENTINA.

2. ON THE SUBJECT OF EURO-AMERICAN RELATIONS, AND IN THE LIGHT
OF THE PROPOSALS AND SUGGESTIONS PUT FORWARD BY THE TWO MINISTERS,
COLOMBO AND GENSCHER EXPRESSED THEIR CONVICTION THAT CONSULTATIONS
WITH THE UNITED STATES SHOULD BE STRENGTHENED AND INTENSIFIED.
WITH THIS IN MIND, THEY DECIDED TO MAKE JOINT CONTACT WITH THE US
ADMINISTRATION.

3. THE TWO MINISTERS FINALLY HAD A THOROUGH EXCHANGE OF YIEWS ON THE PRESENT AND FUTURE PROSPECTS FOR DISARMAMENT NEGOTIATIONS. AND ESPECIALLY THE INF NEGOTIATIONS AT GENEVA. THEY CONFIRMED THE ALLIED NEGOTIATING POSITION ADOPTED WITHIN THE FRAMEWORK OF THE SPECIAL CONSULTATIVE GROUP IN BRUSSELS, AND IN PARTICULAR THE ZERO OPTION TARGET. THEY EXPRESSED THE HOPE THAT THE SOVIET INION WOULD MEET THE EXPECTATIONS OF THE PEOPLES OF EUROPE FOR POSITIVE RESULTS FROM THE NEGOTIATIONS, AND REPEATED THEIR GOVERNMENTS' DETERMINATION TO FULFIL THE DECEMBER 1979 DECISION SHOULD THE NEGOTIATIONS FAIL TO YIELD CONCRETE RESULTS. IN THIS CONTEXT. THE TWO MINISTERS EXPRESSED THEIR CONCERN FOR THE CONTINUING SOVIET TENDENCY TO INTRODUCE IN THE FRAMEWORK OF US/USSR NEGOTIATIONS THE NUCLEAR SYSTEMS OF THIRD COUNTRIES. THEY ALSO EXPRESSED THE HOPE THAT THE START NEGOTIATIONS WOULD GET QUICKLY UNDERWAY, AND THEIR SATISFACTION THAT THE US POSITION ON STRATEGIC WEAPONS WAS NOT SIMPLY AIMED AT THEIR LIMITATIONS BUT AT THEIR SUBSTANTIAL REDUCTION.

TU

a. COLOMBO AND GENSCHER FINALLY UNDERLINED THE IMPORTANCE OF THE FORTHCOMING SPECIAL SESSION ON DISARMAMENT OF THE UN GENERAL ASSEMBLY, AND EXPRESSED THE HOPE THAT PRESIDENT BREZHNEY WOULD ACCEPT PRESIDENT REAGAN'S PROPOSAL OF A MEETING IN NEW YORK AT THAT TIME''.

ARLULUS

FCC

CABINET OFFICE

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MR FULLER DIO CABINET OFFICE
MISS DICKSON (EIP DIVN) D/ENERGY

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FROM ROWE 191500Z APR 82
TO PRIORITY FCO
TELNO 172 OF 19 APR 82
INFO PRIORITY WASHINGTON, UKREP BRUSSELS, BONN



GENSCHER'S VISIT TO ROME

GRS 360

1. GENSCHER VISITED ROME AT SOMEWHAT SHORT NOTICE ON FRIDAY
16 APRIL TO SEE COLOMBO. MIFT IS OUR TRANSLATION OF A PRESS NOTICE
RELEASED SEPARATELY BY THE TWO MFAS TO THEIR RESPECTIVE NATIONAL
PRESS AGENCIES. YOU WILL NOTE THEIR FULL SUPPORT FOR US OVER THE
FALKLANDS, LINKED TO THE HOPE THAT ARMED CONFLICT COULD BE AVOIDED
AND REGOTIATIONS BEGIN THAT WOULD PERMIT THE ABROGATION OF EC
SANCTIONS AGAINST ARGENTINA. THE MFA ALSO DREW OUR ATTENTION TO
THE REFERENCE IN THE THIRD PARAGRAPH TO UK AND FRENCH NECLEAR
SYSTEMS.

2. IT IS CLEAR, HOWEVER, THAT THE EUROPEAN ACT AND THE QUESTION OF EUROPE-AMERICAN RELATIONS OCCUPIED MUCH OF GENSCHER'S AND COLOMBO'S TIME, AS THE PRESS RELEASE NOTES THE ITALIAN AND GERMAN MISSIONS IN WASHINGTON HAVE BEEN ASKED TO MAKE A JOINT APPROACH TO THE US ADMINISTRATION ONTHE LATTER POINT: ANOTHER EXAMPLE OF HOW CLOSELY COLOMBO AND GENSHER NOW SEEM TO BE WORKING IN TANDEM. LAY (ITALIAN MEA) TOLD H OF C IN CONFIDENCE THAT THE TWO MINISTERS AGREED THAT THE AIM OF THE EXERCISE WAS CONCRETE ARRANGEMENTS FOR CLOSER EUROPE/US COORDINATION, AND THAT ITALY AND THE FRG WOULD BE FLEXIBLE ON THE MEANS. THEY AGREED TO PURSUE GENSCHER'S PROPOSAL FOR GYMNICH-TYPE INFORMAL MEETINGS OF NATO MINISTERS, AS THE PROPOSAL LIKELY TO GIVE RISE TO FEWEST PROCEDURAL DIFFICULTIES. THEY WOULD ALSO WORK FOR EARLY AGREEMENT ON THE EUROPEAN ACT. AND THEN, BUT ONLY THEN, PURSUE COLOMBO'S ALTERNATIVE PROPOSAL OF AN EC/US PACT. WHETHER THIS IS SIMPLY A FACE-SAVING FORMULAE FOR THE ITALIANS REMAINS TO BE JUDGED. LAY ADDED THAT BOTH MINISTERS WERE AGREED THAT NEITHER THE EC NOR THE NATO FORUM WAS PERFECT. IN TERMS OF ITS MEMBERSHIP AND RESPONSIBILITY FOR SECURITY QUESTIONS, NATO WAS PREFERABLE: ON THE OTHER HAND, IT HAD LESS EXPERIENCE OF CONDUCTING BROAD-RANGING POLITICAL CONSULTATIONS, AND THERE WAS ALSO THE PROBLEM OF SECURING GENERAL AGREEMENT ON DISCUSSION IN NATO OF OUT OF AREA QUESTIONS.

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3. LAY EXPECTS THE ITALIAN AND GERMAN MISSIONS IN WASHINGTON TO BRIEF COMMUNITY MISSIONS ONCE AN APPROACH TO THE AMERICANS HAS BEEN MADE, PROBABLY LATER THIS WEEK. GRATEFUL IF YOU AND OTHER ADDRESSEES WOULD TREAT LAY'S REMARKS IN STRICT CONFIDENCE.

ARCULUS

FC

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Foreign and Commonwealth Office London SW1A 2AH

Telephone 01-

T L Richardson Esq

Your reference

Our reference

My of bone p. w.

25 March 1982

ANGLO/ITALIAN TALKS ON AFRICA

1. Thank you for your letter of 3 March to Sir Leonard Allinson about a further round of bilateral talks on Africa.

2. Sir John Leahy, who will be chairing the talks, has suggested that we would invite Sr. Vecchi to London for discussions on Wednesday, 28 April, immediately preceding the next African Working Group meeting in Brussels on 29/30 April.

3. Would you please let us know whether this date is convenient and, if so, what topics Sr. Vecchi would like to discuss. It would also be useful to know the names of accompanying officials. If 28 April is not convenient perhaps he could suggest alternative dates in May.

R C G Harrison Central African Department

PA/Sir J Leahy
Mr Gladstone (WED)
Mr Barder (SAfD) Mr. MacRae (WAD)

Mr Wenban-Smith (EAD)

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British Embassy Via XX Settembre 80A 00187 Rome

Telex 61049 Telephone 4755.441

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Hay France

R Osborne Esq

WEDFCO

25 MAR 1982

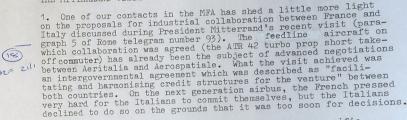
Our reference 020/6

Your reference

Date 17 March 1982

Jeen Roy

THE MITTERRAND VISIT



- 2. In the electronic sector, the MFA claim that no specific projects were discussed: both sides merely agreed in general terms that collaboration in this field was desirable, and, on a European scale, essential if Europe was to offer an effective response to Japanese domination.
- 3. Likewise, the MFA claim that there were no specific discussions of steel and nuclear collaboration (other than that already existing, eg over super-phenix).

Your oren

M J Richardson

cc: E Jones-Parry Esq, ECD(I) FCO Chancery, Paris HMCG, Milan



Dear Charles,

British Embassy Via XX Settembre 80A.00187 Rome

Telex 61049 Telephone 4755,441



10 March 1982

J C R Gray Esq

EESD
FCO

Our reference
Date 10

VISIT OF ROMANIAN FOREIGN MINISTER

- 1. Stefan Andrei, the Romanian Foreign Minister, paid an official visit to Rome from 1-3 March; he also spent a couple of days privately in Sardinia. This visit, made at Romanian request, reciprocated that made to Bucharest by the then Italian Foreign Minister, Malfatti, in 1979; Andrei was also here twice last year (July and November) for informal talks with Colombo.
- There was no Community briefing, and the press paid the visit little attention. Liotta, head of the MFA Eastern Europe Political Department, gave me yesterday the following account.
- 3. In three busy days in Rome, Andrei saw President Pertini, Spadolini, Colombo, Capria (Socialist Minister of Foreign Trade) and the secretaries of most political parties, including Berlinguer of the PCI. With Colombo and Spadolini he concentrated on foreign affairs, as follows:

a) Poland

Jaruzelski's military takeover did not please the Romanians, but might have saved Poland from a "probable external intervention". Martial law should be ended as soon as possible, and all the political forces, including the Party, must be involved in finding a solution to the fundamental problems. Colombo asked whether Andrei intended to include Solidarnosc and the Church; Andrei said yes, but added that Solidarnosc would have to shed its "extremist elements". Andrei reaffirmed Romanian opposition to any form of external interference in Poland's affairs, and argued that Western economic sanctions were counter-productive, serving only to increase Poland's dependence on the USSR.



- 2 -

b) Arms Control

Andrei and Colombo agreed on the need for results from the Geneva negotiations, and Andrei put forward the Romanian idea that Europe should participate directly. He agreed with Colombo that the USSR should "eliminate" all their SS20 missiles, but in his address at the official banquet spoke only of "withdrawal". There has also been a routine exchange of letters between Ceasescu and Spadolini on the general theme of disarmament.

c) CSCE

Colombo found Andrei's position predictably more autonomous and favourable to the West than that of other East European countries.

d) Balkans

Andrei argued in favour of the Bulgarian plan to "denuclearise" the Balkans.

e) Middle East

There was a broad measure of agreement. Andrei expressed appreciation of European participation in the MFO, condemnation of Israel's annexation of the Golan, and recalled Ceausescu's role in persuading Sadat to take the Camp David road.

4. With Capria, and to a lesser extent Colombo, Andrei discussed bilateral economic issues. He ascribed Romania's economic problems primarily to her fall in agricultural production and loss of revenue from oil products supplied to the West. Romania had contracted too many short term debts at high rates of interest, was talking to the IMF, but needed help from the United States, Italy, France, Germany, and Britain. He asked specifically for Italian support in the Club of Paris. He produced no figures for Romania's total indebtedness to the West, but the press have spoken of \$10-14 billion, adding that Italy's balance of trade with Romania in 1980 showed a deficit of lire 230 billion. The



- 3 -

MFA say that of an Italian line of credit worth \$300 million, agreed in 1979, only \$60 million has been taken up; Andrei asked that the agreement should be changed to allow the rest of this line of credit to be used for finished products as well as capital goods (mainly industrial plant); Capria agreed to study this.

- 5. Liotta concluded that this had been a successful visit, even though no significant progress had been made on the economic issues which were Andrei's main preoccupation; the problem of Romanian debt had to be looked at by the West in the overall East European context. Colombo had once again been struck by Andrei's detailed grasp of international issues and willingness to pursue an independent Romanian line.
- 6. Italian relations with Romania are close, partly because of linguistic and other Latin affinities (Andrei was able to read his speech in flawless Italian) and partly because Italy appreciates the value of Romania's independent stance on many foreign policy issues. There has recently been a rush of Italian visitors to Bucharest. Pajetta, the veteran head of PCI International Affairs, was invited by Ceausescu and was pleased with the results (see Colin Munro's letter of 8 February to you): such contacts are especially valuable for the PCI leadership at present, and may help counter any feeling of isolation felt at the base after the harsh words from Moscow and her closest allies. The good relationship between the PCI and the RCP helps Italy as a whole, as Andrei himself said during his visit. Corti (Social Democrat), one of the Junior Ministers at the Farnesina, also visited Romania recently, primarily to discuss economic and trade matters. Biasini of the Republicans has been there twice to compare notes with the Romanians on foreign policy issues. All the other coalition parties have sent their Secretaries (Piccoli of the DC, Craxi of the PSI - see Colin Munro's letter of 23 November 1981 - Zanone of the PLI, and Longo of the PSDI) to Bucharest on similar missions; all seemed to enjoy good access and to find the visits worthwhile.
 - 7. Finally, a moment of comic relief from Andrei's visit. Late one night his police escort had their credentials questioned by

/Carabinieri



- 4 -

Carabinieri at a road block, who had not been advised of their route and took the group for terrorists in disguise. Heated words followed, and two at least of those involved came to blows fortunately not in front of the Minister. Perhaps Andrei knows Italy well enough not to be surprised.

Your war,

R N Culshaw

cc: R P Osborne Esq, WED, FCO
Chancery, Bucharest

RESTRICTED





British Embassy

Telex 61049 Telephone 4755,441

Miss J Brown Our reference 021/1 Date 8 March 1982 New Miss Brown

POLAND: ITALIAN MEASURES

- Tom Richardson's letter of 3 March to Nigel Broomfield.
- 2. One of Spadolini's diplomatic staff has given us in confidence a copy of the list of measures against Poland and the USSR which have been decided or are under consideration. I enclose a copy of my translation. There are no surprises; the wording shows how keen the Italians are to have good Western company.
- It is still not clear when these measures will be formally approved by the Council of Ministers and made public. The earliest date possible is now Friday 12 March, and it could well slip beyond that; much depends on the outcome of the Buckley Mission this week, as well as on the degree to which the five Italian coalition parties (with their eye on domestic political repercussions) really wish to reach agreement on all these measures.

R N Culshaw

cc: Chanceries: UKREP Brussels

Warsaw Moscow Paris

ECD(E)

A) MEASURES TOWARDS POLAND

Economic and commercial measures

- a) By agreement with the other Western countries which are Poland's creditors, to suspend the restructuring of guaranteed Polish debt falling due in 1982.
- b) To suspend the allocation of credits already agreed for Poland but not yet taken up, without affecting operations which relate to contracts already completed.
- c) To suspend for the time being any new credit for Poland.
- d) By agreement with the other members of the EC, to suspend supplies to Poland of Community products on easy terms accompanied by bilateral credits. The Community funds dedicated to this will be applied to humanitarian assistance through private organisations and those of the Church. For its part the Italian government has decided to continue to give bilateral food aid to Poland, through non-governmental organisations and after receiving precise guarantees that it will in fact reach the civil population.

Political measures

- 1) We are examining the possibility of extending to Polish citizens the restrictions on movement and travel in Italy which already apply to the citizens of other Socialist countries.
- We are considering a refusal to allow any increase of staff for Poland's diplomatic, consular and commercial representation in Italy.
- 3) The meeting of the Mixed Commission to renew the protocol on cultural and scientific cooperation, planned for the present

month of February, may be postponed. For the moment cultural relations with Poland are limited to exchanges of researchers, university professors, and people attending conferences.

B) MEASURES TOWARDS THE USSR

Economic and commercial measures

- To adopt a restrictive attitude towards economic cooperation with the USSR and towards implementation of the relevant agreements.
- 2) To re-examine existing understandings with the USSR on maritime and air transport.
- 3) In agreement with the EC states, to give Italy's agreement to put the USSR in the first category of possible recipients of credits on easy terms, according to the rules of the OECD consensus.
- 4) In agreement with the EC countries, to adopt restrictive measures towards the importation of manufactured and luxury goods from the USSR.

Political measures

- We are examining more restrictive rules for the movement of Soviet citizens who live in Italy.
- 2) We are considering the possibility of authorising no increase in staff for the USSR's diplomatic, consular and commercial representation in Italy.
- 3) We are examining the possibility of postponing a series of cultural exchanges planned for the next two years (an exchange

of cultural delegations, an exhibition of books, cinema weeks etc). On scholarships, the conditions governing the awarding of scholarships in the high technology field could be made more rigorous.

4. In agreement with the allies, we might ask for a reduction in the number of Soviet oceanographic and scientific research vessels operating in the Mediterranean.



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RA M3

R P Osborne Esq WED FCO	Your reference	
	12 MAR 1982	Our reference Date 8 March 1982
Dear Coy,	, no. 1	

VISIT OF PORTUGUESE PRIME MINISTER

- 1. The Portuguese Prime Minister, Sr. Balsemao, visited Rome on 23/24 February accompanied by Foreign Minister Pereira and Finance Minister Salgueiro, as part of his tour of European capitals. He saw President Pertini and Prime Minister Spadolini, and the other Ministers had talks with their opposite numbers. The Italians set these meetings in the context of their close relations with Portugal, as symbolised by Pertini's successful State Visit to Lisbon last October.
- 2. The Farnesina told us that the discussions were cordial and concentrated entirely on Portuguese accession and related EC issues. The substance was covered in a meeting between Economic Directors (at which the Portuguese Ambassador to the EC was present) which lasted 12 hours and went over the enlargement negotiations in some detail. Muzi Falconi, Head of the relevant Economic Department of the Farnesina, who was present, said that the Portuguese reiterated their request that the pace of negotiations should be kept up. The Italians agreed "within the limits of what was possible". The Portuguese also maintained that there need be no connection between progress on the agricultural dossier and the mandate. The Italians disagreed. saving that there was a necessary connection between the agricultural and regional dossiers and the mandate, and that final agreement on the former would have to await a solution to the latter. They also expressed displeasure at Portugal's proposal to leave the fish dossier until last, which they described as improper. The Portuguese sought Italian support for their ideas on an overall timetable for the negotiations (completion by the end of this year or first few months of next): the Italians merely took note. There was apparently no suggestion of 'delinking' Spanish and Portuguese accession.

- 2 -

3. The visit attracted very little attention here, partly because of a newspaper strike on the following two days.

Your wohen

R N Culshaw

cc: H N H Synnott Esq, SED, FCO
D S Broucher Esq, ECD(E), FCO
Chanceries: Lisbon
UKREP Brussels



British Embassy Via XX Settembre 80A 00187 Rome

Telex 61049 Telephone 4755.441



Dear Edgester



ITALY AND THE HORN OF AFRICA

- 1. In the light of Robert Tesh's letter of 12 February to John Robson, I had a general discussion the other day on Eritrea with Aragona of the MFA Africa Department.
- 2. I began by asking why Bottai had raised Eritrea at the last meeting of the Political Committee. Aragona replied that the MFA were very worried about the situation. In their view Mengistu badly needed a success for domestic political reasons; in military terms this would have to be the fall of Nacfa, since no other target in Eritrea was susceptible to a conventional assault and the Ethiopians knew well the capacity of the EPLF to resist with guerrilla tactics on their home ground. In the Italian view, the political and development aspects of the "Red Star" campaign were just a cover for the military push.
- 3. Aragona underlined the political sensitivity of the Eritrean issue in Italy. Accusations of genocide or the use of gas (with overtones of 1936) would arouse a storm of protest here. The Communist Party (PCI) was split, with the older guard retaining a sentimental attachment to the Eritrean cause and the younger party leaders disposed to back Mengistu's Marxist regime. The Christian Democrats too were sympathetic to Eritrea but unwilling to jeopardise economic interests in Ethiopia on their behalf. The Socialists (PSI) would back the Eritreans in order to embarrass both the two larger parties; they at one point intended to raise Eritrea at last week's 'summit' of coalition party secretaries but in the end did not; I suppose the harsh Ethiopian reaction to their French colleagues' line on Ethiopia - Addis telno 40, not to all - may now make them more cautious. If Eritrea hit the headlines, therefore, it could become a foreign policy issue capable of causing divisions within the Italian coalition and between them and the PCI opposition, albeit not on the scale of

fr. 1/2 20

CONFIDENTIAL

- 2 -

4. Aragona asked me in strict confidence whether we had seen any recent indication of an Ethiopian wish to purchase arms from Western governments. The Italians had heard some vague rumours to this effect but had received no such approach themselves; it was inconceivable that the coalition could agree to reinforce Ethiopia's armed forces in present circumstances. Aragona would give no more details, but said that any such move towards Western sources would be interesting evidence in favour of Colombo's theory (expressed after his visit to Addis last year) that there was some scope for weaning Mengistu away from the Eastern bloc: he speculated that it might also show a greater freedom of manoeuvre on Mengistu's part vis-a-vis the Derg than had been apparent in recent months. I should be grateful for any comments you or Addis may have, though it is not for us to give the Italians any account of the position of other countries.

5. Finally I asked Aragona about the visit of Palleschi, the Socialist Under Secretary at the MFA, to Mogadishu in early February. He said it had no political content, but was intended solely to fill out the details of Italian aid to Somalia (which is the biggest single recipient of Italian development assistance): Colombo would never let one of his deputies, least of all a Socialist, take a political initiative in a sensitive area like the Horn.

Jams war,

R N Culshaw

cc: Chanceries: Mogadishu
Addis Ababa
Khartoum
R P Osborne Esq, WED, FCO



British Embassy Via XX Settembre 80A 00187 Rome

Telex 61049 Telephone 4755,441

Poly surteries on to must in the width of next week. The stad danger to specification in the risk that discussion with range bayone a Salandor on Phono to contorne Your reference all the regarding differences between the polynos of

G S Cowling Esq FCO

Our reference Pate 16 February 1982 23FEB 1982

EL SALVADOR

- 1. In our Telno 67 we summarised last week's flurry of statements on Italian policy towards El Salvador and participation as observers in the elections there.
- 2. In reply to questions in Parliament, Colombo made a full statement on El Salvador on 10 February. He described the situation as a real civil war and drew the Chamber's attention to the two massacres of El Mozote and Nueva Trinidad, for which government and left-wing rebel forces respectively were responsible. He set out the history of the problem and the attitude of other countries, with particularly sharp criticism of Cuban involvement. He repeated that Italy's aim was to encourage a political solution, and that violations of human rights by whichever side had been condemned. Italy's views had been made clear to the junta, which did not however bear sole responsibility for the present tragic situation. He defended Duarte's objectives and said that the Salvador Christian Democrats still effectively represented the vast mass of the population. Colombo assured the Chamber that he had expressed Italian concern about Salvador to its political leaders, particularly Antonio Morales Ehrlich of the junta in December 1981 and Manual Guillermo Ungo of the FDR in March 1981. Finally, in reply to two specific questions Colombo said that the Italian Ambassador in Salvador would not be recalled and that Italy had given no undertaking to send observers to next month's elections.
- In the debate which followed Colombo's statement the Communist and Socialists bitterly attacked his line as being too favourable to the junta. There were harsh words about US military support for the regime and about the attempts of Christian Democrats worldwide to bolster Duarte: the impartiality of the Italian Ambassador, Righetti, was also called in question. Finally, the Communists insisted that the subject be debated again on the basis of a motion (which makes a concluding vote inevitable); this is an unusual step and shows that they intend to press home their attack on the government. The Radicals have since put down a motion of their own.



- 2 -

- 4. Robert Culshaw had a word about this last week with Barbarani at the MFA. He thought it would be very difficult to paper over the cracks within the coalition (Christian Democrats, Socialists, Social Democrats, Liberals and Spadolini's own Republicans) and that even if Spadolini, as President of the Council, made the vote an issue of confidence, some Socialists might desert the government ranks unless the government distanced itself more from the junta, which would in turn annoy many right wing Christian Democrats. The full Parliamentary debate may take place within a couple of weeks, unless the Parliamentary group leaders (who must agree on the timetable) manage to defer it.
- 5. Barbarani also told us that Colombo had no intention of recalling Righetti, since once he was back in Rome Communist opposition to any move to send him back would be irresistible. Withdrawing Righetti even temporarily would be tantamount to suspending relations, since there was no other diplomat to serve as Chargé d'Affaires.
- 6. Over this last weekend the dispute spread. The Socialists put out a statement critical of Colombo's policy towards El Salvador: it describes the elections as "a farce which offends the values of freedom" and opposed any despatch of Italian observers. Piccoli and Colombo, for the DC, went some way towards appeasing the Socialists by condemning recent violations of human rights, but insisted that Duarte was seeking a third way, which deserved support, between Castroism and military dictatorship.
- 7. As we reported in our telegram, however, the issue at stake is less Salvador than the future of the government coalition. We have already written to WED about the possibility of early elections in Italy, and this is not the place to speculate on the effect of the Salvador crisis on the government. The essential point is that Craxi, for the Socialists, is complaining that he and his party were not consulted about Colombo's statement. He has now said that the Socialists will not feel bound to support the government in the Chamber, and has demanded, with support from the Liberals and Social Democrats, a "summit" meeting of the secretaries of the five coalition parties to discuss foreign policy issues, and El Salvador in particular. The Social Democrats want to raise Poland as well; and WED should note that there will undoubtedly be pressure to go further and to have a general review of the coalition's performance and of its future: something which the DC have been resisting until their party congress has taken place.
- 8. Spadolini has now agreed to a meeting next week of the coalitions party secretaries to discuss foreign policy. Speaking at Monza this weekend, as we reported in our telegram, he went further than



- 3 -

Colombo and claimed that "the government has already decided, and announced in the Chamber, not to send any observer to the Salvador elections". He said that a political solution was essential; that all the Internationals (ie. Christian Democrat, Socialist and others) should join in this effort, and that any solution should both avoid the "growing risks" of US military intervention and block further Cuban/Soviet penetration in Central America: "neither a second Cuba nor a second Vietnam" (he is America: "neither a withing the condition of the c

9. In taking up this somewhat pious and unrealistic stand, and in condemning violations of human rights by both sides in Salvador, Spadolini is clearly trying to paper over the coalition cracks. But his partners are still quarrelling. The Christian Democrat Party secretary Piccoli continues to defend Duarte's "third way"; party secretary Piccoli continues to defend Duarte's "third way"; while the Socialists have accused Colombo of acting against the while the Socialist have accused Colombo of acting against the spirit of the UN resolution for which Italy voted (with Britain noted as the sole EC abstainer). The MFA have rejected this and say that Colombo's policy fully accords with the UN resolution.

10. I have already reported by telegram my conversation with Badini in Spadolini's cabinet. There will be no official Italian observers at the Salvador elections, though the DC are likely to send party representatives.

11. So El Salvador has become a major foreign policy test for Spadolini's government. It is almost unknown for an Italian government to fall on a foreign policy issue, and the opposition motion may well be buried by Parliamentary manoeuvring (as happened with a similar motion on Afghanistan after December 1979). Nevertheless, this open breach within the coalition has done much damage and will affect relations between the Christian Democrats and the Socialists on a wide range of other issues.

Your ere, (on i) ice and on T L Richardson

cc: Chancery, Washington J R Young Esq, WED



BRITISH EMBASSY

ATHENS

CONTENT DOP

15 February 1982

A C Hunt Esq Southern European Dept

FCO

23FEB 1982

VISIT BY FANFANI

Dea Alex

1. The President of the Italian Senate, Fanfani, visited Greece 8-11 February. In addition to talks with his Greek counterpart and host, Alevras, he had meetings with Karamanlis, Papandreou and with the leaders of New Democracy and the KKE (Ext). The leader of the Euro-Communist KKE (Int) Kyrkos, complained of his exclusion: the protocol reason for this was that Fanfani's meetings were confined to the three parties represented in Parliament, but Kyrkos may have felt that the close relations between his party and the PCI gave weight to his complaint.

- 2. I called on a member of the Italian Embassy, Malfatti, who gave me a frank account of the visit. Overall, it had been largely devoid of content the exception being the meeting with Papandreou (paras 3 and 4 beneath). In his meeting with Alevras, Fanfani had described Italian practice in three areas (electoral system, financing of political parties, parliamentary rules) in which the Greek side had expressed interest Malfatti disarmingly said that he could not think why, but the first two are areas in which the PASOK government are committed to introducing reforms. The meeting with Averoff had been very warm (with Averoff delivering a bitter attack on the Government's reform of the Civil Service) and that with the KKE very cold. Karamanlis had rather brushed Fanfani aside with the comment that he would soon be visiting Italy.
- 3. The only meeting of interest was the one with Papandreou, which yielded some significant points. Fanfani and Papandreou agreed that since Italy and Greece had similar agricultural interests, they should cooperate (Malfatti pointed out that logic made them competitors not partners but it is of course true that they stand to gain by mutual support in the EC in arguing the relative importance of Mediterranean against northern products). Papandreou gave the impression that he did

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not regard the EC, or Greek membership, as a priority issue. On the Aegean, Papandreou repeated that Greece required a guarantee. Asked whether this should be given by NATO or the US bilaterally, Papandreou said that the former was preferable but the latter acceptable -though the Greeks wanted more than a second "Kissinger letter". The bases negotiations offered a forum for discussion on this point (this tends to confirm the impression at desk level in the US Embassy that the question of a guarantee will be top of the Greek agenda when the bases negotiations begin).

4. As regards Cyprus, Papandreou spoke in predictable terms: Cyprus was a very important issue, the Greek Government was ready to withdraw troops if the Turks withdrew their forces, the Greeks favoured recourse to the UN. On Spanish accession to NATO, Papandreou said that the Greek side were worried about NATO command structures in the Mediterranean: any modification should affect only the western area and not the Aegean. Turning to internal policies, Papandreou admitted that his Government was in some trouble as a result of lack of experience, and difficulties in applying its programme. The reform of the administration and economic measures were first steps. Greece wanted to decentralise, and wanted investment (Malfatti told me not to take seriously press reports that Fanfani had expressed interest in socialisation). There was no discussion on Poland. Fanfani did not raise the subject, since it was such a hot potato in Italian internal politics.

5. Malfatti concluded by expressing surprise at the warm welcome and extensive press coverage given to Fanfani. Fanfani wanted to be the next Italian President, and therefore had a clear interest in good publicity for his journeyings abroad. But why had the Greek Government given such a warm welcome to a right-wing member of the DC who had been invited by Alevras' predecessor? Malfatti speculated that Greece was actively searching for partners, and that after Papandreou had received heavy doses of Teutonic advice in Bonn, he was rather relieved to receive a representative of a Mediterranean country with a number of shared interests. There may be something in this: though with her EC interests (and need for support within the EC) in mind, and with her stated interest in giving special emphasis to the Mediterranean in foreign policy, it is hardly surprising that Greece should want warm relations with Italy.

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The Greek side were apparently pleased with the coverage of the visit in Italy, including a special feature devoted to Greece on Italian television. One item in this was an interview with Papandreou which, as reported here, appears to have been an unbending exposition of Greek views on the EC and NATO. On the former, Papandreou claimed that Greek accession had had negative economic effects and that it would be better for Greece to have a special relationship instead of being a full member. On the latter, he suggested that unless the problem of the Turkish threat was solved, Greece "must find other ways of safeguarding its territorial integrity". On the US bases, Papandreou stated that these were contrary to Greece's ideology and policy, though the Greek Government would not take unilateral initiatives. The interview has occasioned some surprise here, since at one point Papandreou stated that there were no nuclear weapons at the US bases. Since Papandreou repeatedly reaffirmed during the election campaign that there were, and has continued to state that he wanted to see these weapons removed, his words suggested a certain degree of confusion. It is possible however that Papandreou was meaning to say that the bases, and the nuclear weapons, were separate issues and should be handled separately.

Danil

D C A M Madden

cc: Chanceries: ROME WASHINGTON UKDEL NATO





VZCZCFDG COM ROU 101145Z FEB 92 FROM COMMCEN HSP

CONFIDERTIAL STC 28H

GR 14F

CONFIDENTIAL

FM ROME 101145Z FEB 32

LO ROUTINE MODUK
TELELGRAM NO. Z8H/101145Z OF FEB 82
AND TO FGO (WED) AND MODUK (DEFENCE SALES)

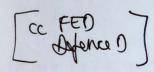
FROM: BRITDEFAT ROME TO: DI3 (WEST)

ITALIAN MILITARY DELEGATION VISIT TO CHINA. A REPORT HAS APPEARED IN THE ITALIAN PRESS OF A VISIT TO CHINA OF

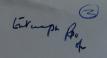




THIS TELEGRAM WAS NOT, ADVANCED



British Embassy
Via XX Settembre 80A 00187 Rom



S F Howarth Esq NENAD

MRS OZVIVE MARKET BERNER BERNE

Your reference

Our reference

Date 4 February 1982

I have Howarth.

VISIT OF THE ALGERIAN FOREIGN MINISTER

- 1. Benyahia visited Italy from 27-29 January. The following account is based on a Community briefing given by Moscato, head of the MFA Middle East political department.
- 2. Moscato said that this visit, the first by an Algerian Foreign Minister to Rome, had been long awaited and was in a sense in response to Colombo's trip to Algiers with Pertini for the State Visit of May 1980 (see Algiers savingram no. 6 of 13 May 1980). The main purpose was to make progress in the deadlocked negotiations for supply of natural gas, on which we are reporting separately (see Rome telno 37 of 29 January, not to all): the press concentrated almost exclusively on this aspect. Moscato said that Colombo's thorough exchange of views with Benyahia on political topics had helped to repair any damage to bilateral relations which might have resulted from the failure to agree on the gas price.

Arab/Israel

3. Benyahia was critical of European participation in the MFO, which he equated with involvement in the Camp David process. He also had some harsh words for the feebleness of the EC reaction to Israel's annexation of the Colan Heights. Colombo steered discussion towards the Fahd plan; Benyahia stressed that the Saudis had not consulted the other Arabs before launching it, and was not optimistic about the possibility of achieving an Arab consensus based upon its principles. The Syrians' attitude was understandable, given that they were virtually in a state of undeclared war with Israel and had lost territory. King Hassan should not have abandoned the Fez summit for fear of an open discuss.

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Libya

4. On Libya, Benyahia said that Algeria's bilateral relations were excellent but that he was fully aware of the unacceptable features of Libyan activity in third countries. Qadhafi had restored order in Chad but the proposal for union showed his true intentions. Algeria fully supported the OAU decision to reject any idea of amalgamation of Chad with Libya; Qadhafi had accepted it grudgingly, to improve his image with the Africans in advance of Libya's presidency of the OAU. Benyahia criticised US policy towards Libya, adding that their unfounded accusations only served to increase tension in the region.

Iran

- 5. Benyahia said that after the attempted coup in Bahrain last December the Algerians had made representations in Teheran, asking Iran to clarify her intentions towards the Arab States of the Gulf. Algeria had also urged the need for a compromise solution to the Iran/Iraq conflict. He did not report how the Iranians had reacted. In reply to a question, Moscato told me that the Italians had the clear impression that this Algerian demarche had been made at the request of the Arab States of the Gulf.
- 6. Colombo and Benyahia also had a wide-ranging tour d'horizon of other international problems. Little new emerged, except that on Poland Benyahia showed a tendency to equate external intervention from East and West. Colombo gave him a lecture and Benyahia eventually conceded that Soviet pressure on Jaruzelski had been the factor which pushed him into the repressive military measures of 13 December 1981.

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R N Culchan

cc: R P Osborne Esq, WED, FCO Chanceries: Algiers Eahrain

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Mr Bullard

ITALY AND NON-UNDERMINING

- I met the Italian Minister in the park at 1445. He asked me to let you know that he had spoken this morning to Signor Bottai who had confirmed that Italy was ready to take part in a meeting of economic officials with the Americans and that they were also willing to instruct their Embassy in Washington to support any representations in favour of such a meeting that we might make.
- Since he had already mentioned Mr Haig's visit to me I said that the holding of such a meeting would no doubt be a subject of discussion between the Prime Minister and Mr Haig and we would have to see how that went before we could consider our next move.



A C Goodison

29 January 1982

Mr Evans Mr Broomfield, EESD

Mr Mallaby, Planning Staff

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FROM ROME 270800Z JAN 82 TO IMMEDIATE FCO TELNO 26 OF 27 JAN 82

INFO ROUTINE BONN, WASHINGTON, BRUSSELS, UKREP BRUSSELS, UKMIS NEW YORK

INFO SAVING HOLY SEE (WITH TUR - ACTIONED)

YOUR TELNO 25 TO BONN: EL SALVADOR ELECTIONS

1. ACTION TAKEN WITH BARBARANI, HEAD OF MFA LATIN AMER CA

VED REGISTRY
-5FFB 1982

Ma Road

2. BARBARANI SAID THAT THE ITALIANS TOO HAD BEEN PRESSED BY
THE AMERICANS. HE HAD BEEN PRESENT AT TALKS LAST WEEK IN ROME
BETWEEN MALFATTI (MFA SECRETARY GENERAL) AND A SENIOR STATE
DEPARTMENT OFFICIAL. THE ITALIAN VIEW AT OFFICIAL LEVEL WAS THAT
THE ARGUMENTS FOR AND AGAINST SENDING OBSERVERS WERE FINELY
BALANCED, BARBARANI'S ANALYSIS WAS SIMILAR TO THAT IN TUR.
THE EL SALVADOR ELECTIONS MIGHT BE FAIR ENOUGH FOR THOSE PARTIES
WHICH HAD AGREED TO PARTICIPATE, BUT WOULD BE UNREPRESENTATIVE
BECAUSE OF THE ABSENCE OF THE LEFT. WHATEVER THE ITALIAN
GOVERNMENT DECIDED THEY WOULD BE OPEN TO CRITICISM, TO SEND
OBSERVERS WOULD BE INTERPRETED AS ENDORSEMENT OF THE ELECTIONS,
WHILE TO REFUSE WOULD SOUR RELATIONS WITH THE REGIME.

3. BARBARANI SAID THAT THE FUNDAMENTAL PROBLEM IN ITALY WAS
THE DIFFERENCE OF VIEW BETWEEN THE VARIOUS PARTIES IN THE
GOVERNMENT COALITION (CULSHAW'S LETTER TO PAYNE OF 16 FEBRUARY
1981, NOT TO ALL, GIVES THE BACKGROUND). THIS WOULD HAVE
TO BE RESOLVED AT A HIGH POLITICAL LEVEL. BARBARANI HIMSELF
THOUGHT THE ATTITUDE OF MAJOR EC PARTNERS MIGHT BE THE DECIDING
FACTOR, AND THAT ITALY WOULD IN THE END PROBABLY NOT SEND OBSERVERS.

4. BARBARANI UNDERTOOK TO KEEP US INFORMED, AND ASKED TO BE TOLD WHEN HMG REACHED A FIRM DECISION. IN OTHER WORDS, THE ITALIANS HOPE WE OR OTHERS WILL GET OUT IN FRONT SO THAT THEY CAN SHELTER BEHIND US.

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