



Foreign and Commonwealth Office

London SW1A 2AH

WRJ 014/1

18 July 1983

62
M.B.
17/7

T L Richardson Esq
ROME

WRJ 014/1

18 JUL 1983

DLS

EX

Tekoni

DB

Dear Tom,

DE MITA'S DC

1. Thank you for your letter of 23 June, giving an admirably comprehensive portrait of the DC leader and his attitudes which will be a useful source for background briefing when De Mita visits London. Has he yet received an invitation? If not, it would presumably make more sense to wait for the electoral dust to settle.
2. It was of course particularly unfortunate for De Mita that the DC suffered so badly at the hands of the electorate on 26/27 June. Having set out on a policy of renewal, De Mita needed a better result (which might have come with time) to prove to his critics that he was leading his party along the right path. Had the long-suffering electorate really wanted change, such critics can now argue, could they not have been expected to support De Mita's efforts to bring it about?
3. While it can be argued that former tactical DC voters were so confident of a DC victory that they felt free to vote according to conscience, it seems equally possible that De Mita's attempts at purging the party went against the interests of a good many DC supporters who were contented to sit back and reap the benefits of clientism. Does not the fact that the MSI gained 1.5% and the PLI and PSDI gained 1.3% mean that a percentage of DC voters, perhaps opposed to reform, voted instead for the more conservative parties? Did traditional DC supporters look ahead to a future under De Mita and decide that they did not like what they saw?
4. I suspect that a number of different factors combined to bring about the drop in DC support. The party directorate will no doubt look into every possible explanation. But the weakening of the DC must have weakened its leader, and the party may want a scapegoat. If so, what better candidate than

/the



CONFIDENTIAL

the man who steered the DC to their biggest electoral setback in decades? It is perhaps surprising that the only person recorded as having sought De Mita's resignation at the post-election meeting was Donat Cattin. Andreotti, on the other hand, has criticised Fanfani for his role in the election campaign. Perhaps the interested faction leaders are waiting to see how they fare in the allocation of posts before deciding what action to take.

5. Meanwhile the DC appears to be softening in its approach to the Socialists on the economy and the Premiership. It seems ironic that the man who believed in avoiding excessive deference to the Socialists in the DC/PSI coalition should have been so humbled in the election they provoked. But at least Craxi did not achieve his initial objective of obtaining the removal of De Mita from the DC Secretaryship.

Yours ever

A M Wood,
Western European Department

cc:

Mrs Colvin, Research Dept

Mr Osborn ¹⁸ ¹⁹ ²⁰ ²¹ ²² ²³ ²⁴ ²⁵ ²⁶ ²⁷ ²⁸ ²⁹ ³⁰ ³¹ ³² ³³ ³⁴ ³⁵ ³⁶ ³⁷ ³⁸ ³⁹ ⁴⁰ ⁴¹ ⁴² ⁴³ ⁴⁴ ⁴⁵ ⁴⁶ ⁴⁷ ⁴⁸ ⁴⁹ ⁵⁰ ⁵¹ ⁵² ⁵³ ⁵⁴ ⁵⁵ ⁵⁶ ⁵⁷ ⁵⁸ ⁵⁹ ⁶⁰ ⁶¹ ⁶² ⁶³ ⁶⁴ ⁶⁵ ⁶⁶ ⁶⁷ ⁶⁸ ⁶⁹ ⁷⁰ ⁷¹ ⁷² ⁷³ ⁷⁴ ⁷⁵ ⁷⁶ ⁷⁷ ⁷⁸ ⁷⁹ ⁸⁰ ⁸¹ ⁸² ⁸³ ⁸⁴ ⁸⁵ ⁸⁶ ⁸⁷ ⁸⁸ ⁸⁹ ⁹⁰ ⁹¹ ⁹² ⁹³ ⁹⁴ ⁹⁵ ⁹⁶ ⁹⁷ ⁹⁸ ⁹⁹ ¹⁰⁰
An excellent letter which I shall acknowledge. It will provide valuable background briefing if/when



British Embassy
Via XX Settembre 80A 00187 Rome

Telax 61049 Telephone 4755.441

A M Wood Esq
WED
ECO

Your reference de Mita comes to the UK -
Our reference not despite the election results.

Handwritten: WED 01/11
Stamp: - 1 JUL 1983
Stamp: RECEIVED BY
Stamp: 23 June 1983
Handwritten: M. K. / J.M.

Jean Andriew

copy after } See (2) 20/1

DE MITA'S DC

1. De Mita has had a good first year as Secretary of the DC. It would be a mistake to think that he has transformed the party in this short period: our assessment of the Christian Democrats remains as given in Robert Culshaw's report on their 1982 Congress and in Sir Ronald Arculus' despatch of 3 August 1982. But he has restored the party's confidence, after the disastrous two years of Piccoli's leadership, Forlani's weak Prime Ministership and the damaging blow of P2; and he has improved its image with the media, attracting more attention than Craxi or Berlinguer and deliberately encouraging expectations of a "new-look" DC. The elections will be the best test of how far he has succeeded. On their eve, you may want to have our current impressions of the party which will win most votes and which, for better or worse, will remain the kernel of all governments in the next legislature and no doubt beyond.

2. De Mita was preferred as Secretary to Forlani, not because his programme or coalition policy was better (there was little real difference between them), but rather because the Congress delegates found his combative style more to their taste than Forlani's low-key delivery. Some history is necessary here. Forlani and his supporters had been responsible for the shift away from the Moro/Andreotti policy of "national solidarity" with the PCI (1976-9). Coalition arithmetic and their own preferences dictated an alliance with the PSI. But they entered it in a defeatist frame of mind, shaken by scandals and perhaps mesmerised by Craxi's forceful style. To quarrel with him, they feared, might bring about early elections in which Craxi would make gains at DC expense.

3. De Mita shared the objective of a DC-PSI coalition, but believed it could be achieved without paying excessive deference to Craxi. After all, the DC have three times as many votes as the PSI, and De Mita stands for "pride of party". He had two shots in his locker. The first was the PCI card. He could threaten collaboration with the PCI (for example at local level) if the DC were provoked too far by their lay partners. As a member of the



'Base' faction, with a history of support for 'national solidarity', De Mita was well placed to use this threat. Its efficacy was shown during the government crisis of August 1982, when the mere hint of a DC/PCI understanding stopped Craxi pressing for autumn elections. De Mita has also consistently referred to the PCI as the only credible alternative government for Italy. He does not mean to give them the chance to prove themselves, but the argument serves to put the PSI in their place - and to force them to choose between the two main parties.

4. The second, more recent card was the threat of a "centrist" coalition (DC, PSDI, PRI, PLI) excluding the PSI, and it is characteristic of the DC that they can quite shamelessly run both this and the PCI card as opportunity dictates. As we have reported, there is little chance of a centre government having the necessary stable parliamentary support, nor do we believe that the DC really want to exclude the Socialists. It is simply another way of cutting them down to size.

5. What guaranteed De Mita's election as Secretary was not his appeal to individual delegates but the support of a powerful group of factions led by Piccoli, Andreotti and Fanfani. Many of his and their actions since should be interpreted against this background. These powerful men probably wanted a more dynamic leadership; but they also had their own positions in the party and government to consider. Piccoli was rewarded with the Presidency of the party, and Fanfani with the Prime Ministership. Andreotti was only denied the post of Foreign Minister last November when Pertini (and perhaps others) insisted that Colombo be retained, both because of his ability and integrity and also to provide continuity. It seems likely that after the elections De Mita will have to pay off his debt to Andreotti - possibly with a position (such as President of the Chamber) from which the latter can run his campaign for the Presidency of the Republic after Pertini. For five months after the Congress De Mita gave no party post of any significance to the factions representing the 45% of the Congress who had voted against him. Then in October Mazzotta agreed to become Vice Secretary and the present more balanced leadership emerged (see Annex A): you will note that De Mita still has his own men in key positions in e.g. the Ufficio Politico. De Mita himself should be secure, barring a major reverse on 26 June, until the next Congress (due in 1984). Other leading DC figures may criticise him at times (Donat Cattin is the most vitriolic) but they would need very strong grounds to seek his removal, with the internal splits which this would inevitably provoke.

6. De Mita has worked hard to get away from the image of an old style Southern DC boss (he comes from Avellino, in Campania, and has vast local support). Last October his 'way of speaking' was judged by those interviewed in an opinion poll to be his most antipathetic feature: since then he has adopted a clearer style and even modified his accent for speeches and TV appearances.



In his press interviews he gives remarkably straight answers by Italian (let alone DC) standards. His intelligence has never been in doubt. He has spent considerable time in the centre and north of Italy, in an environment very different from the rural south: wisely, because any real electoral offensive by the DC must be launched in the cities, to recapture ground lost in 1975/6. His only significant venture overseas was a successful visit to the United States in January, and he has so far had little contact with Ambassadors in Rome; such preoccupation with domestic issues is the rule rather than the exception for DC Secretaries.

7. Nevertheless, despite his use of advisers who are not from the South and his success at wooing Northern industrialists, his origins do show through. For example, when asked in a recent interview about invalidity pensions, he said: "The reality is that in many regions, especially in the Centre and South, the invalidity pension is a surrogate for unemployment benefit or short-time working compensation (cassa d'integrazione). For workers employed in industry, the Welfare State has at union insistence provided the Cassa d'integrazione. It has provided for Southerners and out of work peasants by means of invalidity pensions, closing one eye or even two to the real pension requirements. I am in favour of eliminating abuse, in the pension and the cassa d'integrazione schemes: but we must be careful not to make war on the weakest and the poorest, saving the strongest corporations". This comment reflects the real view not just of De Mita but of most Christian Democrat voters. It also illustrates well his courage in speaking his mind on such a controversial topic. He does not trim.

8. De Mita's main contribution to policy has been to strengthen the DC's commitment to control of public spending and of inflation; he has made 'rigour' their watchword. To this end he has enlisted the support of prominent industrialists; the inclusion of Carli, former Governor of the Bank of Italy, as a DC candidate for Parliament points in the same direction. The PCI and PSI have portrayed this as a move to the right by the DC, but De Mita has stuck to his guns, balancing his overtures to big business by reminders that the DC remains an inter-class populist party. His own poor origins help him strike this balance (just as his background of sympathy towards the PCI makes his tough line on the PSI more credible). Apart from this economic 'rigour' the DC manifesto contains nothing very new: some of its proposals, for example on institutional reform, are no more than window-dressing, and already forgotten. Whether "rigour" will come about remains to be seen. What one can say is that there is a perceived shift to the right in Europe, and the DC's octopus-like nature allows it to exploit this perception even if nothing concrete results.

9. De Mita was not elected Secretary, like Zaccagnini in 1976, with a mandate to 'renew' the DC: indeed since the Congress there has been far less talk of renewal than before, perhaps



because parties are less given to introspection of this kind when doing well than when going downhill. Nevertheless he has made significant changes. First, he has ensured that the influence of the factions at all levels is less visible. He must still take account of their leaders and strike an internal balance, but has succeeded in reducing the obvious lottizzazione ('parcelling out') of power which had always been a DC trademark. Second, in areas where the DC old guard has been unsuccessful or too corrupt (including many big cities since 1975, when so many left-wing juntas took over), De Mita has begun to put in a new generation of younger local leaders (we have met some and they are impressive), and to create a party structure which will give them greater freedom of action. The DC proposal for direct election of many Mayors is part of this process, and bitterly contested for that reason by some factions. Third, De Mita has made increased use of outsiders, such as Prof. Prodi (appointed at DC nomination to head IRI), Prof D'Onofrio (responsible for DC local government policy, a key post) and De Rita (head of CENSIS, and a close adviser of De Mita). The former Treasury Minister, Andretta, has been used as a talent scout. De Mita has also taken great care over the DC's relations with Catholic organisations like ACLI (an independent union with 500,000 members), Azione Cattolica, Comunione e Liberazione, Fuci (Catholics at University) and Scout organisations. This reservoir of DC support had been rather neglected in recent years: De Mita saw its value and capitalised on his success with the 'outsiders' who comprised 10% of the delegates at the 1982 Congress. Fourth, and despite his cultivation of Catholic organisations, he loudly proclaims his lay sympathies. In doing so, he has visibly irritated colleagues like Andreotti, but he is looking beyond traditional DC support to a new more secularised generation. Finally he has on occasion nerved himself to take action against party members accused of corruption, no matter how powerful their protectors may be: he is perhaps more aware than veteran DC leaders of how vulnerable the DC in the 1980s could be to such bad publicity. (Recent scandals damaging the PSI and even the PCI seem to prove him right).

10. All these changes, however, are designed to affect the image of the DC rather than its essential nature. De Mita is respected as an able leader, not a moral crusader; behind the DC scenes in this election campaign, deals are being struck and funds allocated in much the same way as on every previous occasion, and probably with just as much success. It would be a mistake to underestimate the ability of the old faction leaders to keep hold of the level of power, even if for the time being they choose a low profile. In some areas (e.g. the Veneto) De Mita has refrained from trying to change a party structure which owes allegiance to his rival Forlani. Tomorrow I shall be visiting a region (Abruzzo) where the DC Minister of Posts controls five or six safe seats.



11. De Mita has so far shown more tactical skill than strategy: he has achieved success in the short term, but not made clear his long term aims for the DC. De Rita perhaps came close to the truth in describing his five guiding principles as follows:

- a) leave no space on the democratic right;
- b) no centrist policy can exist without the DC;
- c) the only alternatives are the two based on the PCI and the DC;
- d) the DC has two 'markets', its clients and those who cast an 'opinion vote' for it: the latter should not be ignored;
- e) disillusionment with politics (absenteeism, blank votes) is a grave risk for the DC.

Careful attention to tactical considerations of this kind has enabled De Mita to buttress the DC's pre-eminence in Italian politics. He has made good use of point c), for example when speaking in the United States, to cut the PSI down to size and to remind his audience that it is the DC above all which can guarantee preservation of the status quo in Italy. On this level he has beaten Craxi (whom in some ways he resembles) at the latter's own game, and the DC rank and file are delighted.

12. If the DC vote holds up this weekend, as seems likely, De Mita's position within his party will be strengthened. What will he do, and what is his programme? He knows little about government and nothing about international affairs. He does not have Andreotti's broad experience. But he is a quick learner, and if things go well he could have at least a decade at the top. I see one danger ahead of him. He wants to lead his party from in front. In this he resembles Fanfani, when party secretary in the 1950s. Fanfani fell because his party colleagues would not brook his autocratic ways. De Mita may make the same mistake. I doubt if he accepts the influence in the party that men like Fanfani and Andreotti still wield. It is probably no coincidence that rumours are now current that De Mita would prefer Elia, the innocuous President of the Constitutional Court, as Pertini's successor as President, a post which as you know both Fanfani and Andreotti covet.

13. There is a deeper point here. The DC has always been a loose coalition of interests. If De Mita succeeds in imposing his own will on it, he will be free to lead it in new directions, even give it a programme; but the vessel may break in his hands. In many ways, the DC's future during the next legislature is as interesting and open a question as any in Italian politics.

Tom
T L Richardson



cc: Mrs K Colvin
Research Dept

Chanceries: PARIS
WASHINGTON
BONN
UKREP BRUSSELS
UKDEL NATO
HOLY SEE

CG: NAPLES
MILAN

Consuls: FLORENCE
GENOA

DC PARTY STRUCTURE

President:

- Flaminio Piccoli

Political Secretary:

- Ciriaco De Mita

Vice-Secretary:

- Roberto Mazzotta

Head of Political Secretariat:

- Riccardo Misasi

Assistant Head of Political Secretariat:

- Antonino Zaniboni

Head of Press & PR Office:

- Clemente Mastella

Advisory Committee of the Secretariat:

- Giuseppe De Rita (university teacher, director of Censis)
- Roberto Ruffilli (university teacher)
- Fabiano Fabiani (manager, Director-General of Finmeccanica)
- Maria Luisa Paronetto (teacher)

Political Office:

- | | |
|---------------|----------------|
| - Piccoli | - Forlani |
| - De Mita | - Martinazzoli |
| - Mazzotta | - Gava |
| - Bianco | - Bisaglia |
| - De Giuseppe | - Galloni |
| - Fanfani | - Donat Cattin |
| - Andreotti | - Gullotti |

Departmental Heads:

Organisation: Nicola Sanese
Culture: Vincenzo Cappelletti
Local Authorities: Francesco d'Onofrio
Economic Policy: Giovanni Goria
Propaganda: Silvia Costa
Problems of the State: Manfredi Bosco
Social Policy: Andrea Borruso
The Mezzogiorno: Giancarlo Lizzeri
Mass Activities: Franco Evangelisti
Education and Research: Paolo Cabras
International Affairs: Vito Lattanzio
European Policy: Filippo Maria Pandolfi
Training: Giampaolo D'Andrea
Emerging Classes: Gianfranco Sabbatini

Giovanni Galloni (Director "Il Popolo")
Leone Piccioni (Director "Discussione")