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From [REDACTED], Research
Date: 25 June 1999

cc: [REDACTED] EUD(I)
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EUD(B)
Rome
UKREP

To: Mr Sheinwald
Director EU

SUBJECT: PRODI: A BACKGROUND NOTE

1. I attach a revised draft of the note on Prodi, which takes account of comments from Mr Lyall Grant and [REDACTED] on the previous draft. The main changes are the inclusion of sections on Prodi's political and economic philosophy and his views on Europe, for which I am grateful for the assistance of [REDACTED] and [REDACTED]

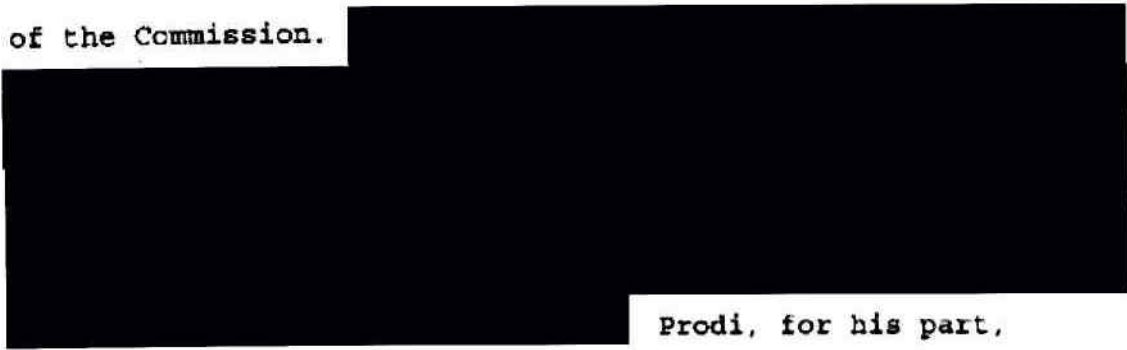
2. The note would greatly benefit from an input from Rome, particularly given my lack of expertise in Italian politics. They have promised to let me have their comments soon. In the light of these and any further comments from other recipients, I will prepare what I hope will be a final version.

[REDACTED]
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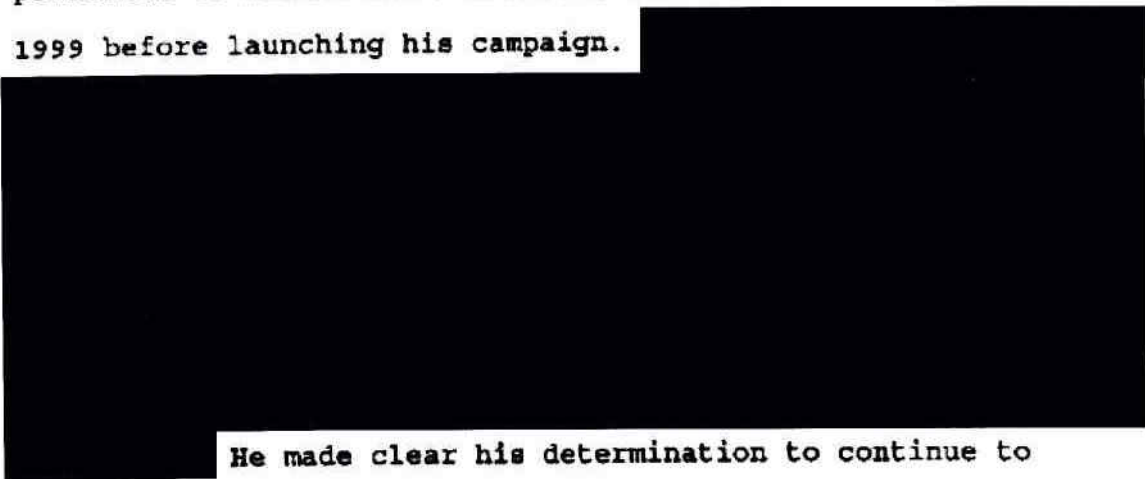
NO. OF ATTACHMENTS: 1

Prodi and the Commission Presidency

18. Following Prodi's fall, it quickly became apparent that he was being pushed hard as a successor to Santer as President of the Commission.



Prodi, for his part, while welcoming the chance to run for Brussels, would have preferred to remain Prime Minister until around the spring of 1999 before launching his campaign.




He made clear his determination to continue to play a part in Italian politics and to keep the Olive Tree alive. Prodi, while accepting the possibility of a European vocation, was thus reluctant to withdraw gracefully from the domestic political scene.

19. On 5 February 1999, Prodi confirmed his continued domestic political ambitions by announcing the formation of

the "Democrats for the Olive Tree" to campaign in the European elections. The polls initially gave the party around 10% support, making it potentially the fourth largest in Italy and the second force on the centre-left. [REDACTED]

20. At the beginning of March, while confirming his interest in the Commission Presidency, Prodi reiterated his determination that his new party should contest the European elections as an independent force. The party continued to gain support, primarily at the expense of the DS, prompting D'Alema to appeal publicly to Prodi to abandon his domestic political ambitions. Prodi declined to do so. Even after his appointment as Commission President at the 24/25 March European Council, he appeared unable to make the break, telling leaders of the European Parliament political groups (to their evident displeasure) on 8 April that he did not rule out heading his party's list in the June elections. He quickly realised his mistake, however, and announced at the EP Plenary Session on 13 April that he would not be a candidate. Many, both in Italy and elsewhere in the EU, saw this as a long-overdue decision to concentrate on his future EU responsibilities. [REDACTED]



he wanted to relaunch the Olive Tree after the European elections. It seems unlikely, however, EU heads of Government and the European Parliament will tolerate the Commission President seeking to play an active role in his country's internal politics.