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NATIONAL INTELLIGENCE ESTIMATE

IMPLICATIONS OF THE CENTER-LEFT EXPERIMENT
IN ITALY

NOTE: This is an advance copy of the conclusions of this estimate as approved by the United States Intelligence Board. The complete text will be circulated within five days of this issuance.



- Factors Leading to the Formation of the Center-Left Coalition
- Problems and Consequences of the Center-Left Coalition
- Future Implications of the Center-Left Experiment

Central Intelligence Agency

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Submitted by the

DIRECTOR OF CENTRAL INTELLIGENCE

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Concurred in by the

UNITED STATES INTELLIGENCE BOARD

on 3 January 1963. Concurring were the Director of Intelligence and Research, Department of State; The Director, Defense Intelligence Agency; the Assistant Chief of Staff for Intelligence, Department of the Army; the Assistant Chief of Naval Operations (Intelligence), Department of the Navy; the Assistant Chief of Staff, Intelligence, USAF; the Director for Intelligence, Joint Staff; and the Director of the National Security Agency. The Atomic Energy Commission Representative to the USIB and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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CENTRAL INTELLIGENCE AGENCY

3 January 1963

SUBJECT: NIE 24-62: IMPLICATIONS OF THE CENTER-LEFT EXPERIMENT IN ITALY

SUMMARY AND CONCLUSIONS

A. Center-left cooperation in Italy -- the so-called "opening to the left" -- has succeeded quite well since its initiation in February of 1962. The coalition has hung together, the parties have demonstrated the resiliency necessary to survive the vicissitudes of coalition rule, and some important legislation has been approved. There have been no fundamental changes in Italian foreign policy, although Fanfani's ambiguous performance during the Cuban crisis may have been an effort to avoid actions or pronouncements which might upset coalition arrangements. (Paras. 1, 8-9)

B. The present arrangement for Socialist parliamentary support of the Christian Democratic-Social Democratic-Republican Cabinet is clearly viewed by the parties themselves as an experiment. Conceivably, this arrangement could go on indefinitely, but we believe that the leaders of both the major parties involved, having come so far, will seek

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within the next year or two to formalize their collaboration and bring the Socialists into the Cabinet. (Para. 11)

C. The Christian Democrats will probably require further evidence of Socialist dissociation from the Communists before they agree to formalization and extension of their collaboration with the Socialists. Collaboration has been increased since February; additional Christian Democratic-Socialist local coalitions have been established. At the same time, Socialist-Communist polemics have been increased. Nevertheless, the Socialists continue their participation in the General Confederation of Labor, which is Communist led. They have resisted pressures to withdraw, and it is unlikely that they will withdraw for some years to come. If the Socialists can and will take some further steps toward dissociation from the Communists, the Christian Democratic leadership can probably obtain party backing for broader collaboration after the elections. (Paras. 11-15)

D. The parliamentary elections which will take place in the spring of 1963 will probably not produce any dramatic changes in the party distribution of the Italian electorate. The results will probably neither repudiate center-left collaboration nor incontrovertibly endorse it. It is possible that collaboration may be suspended or dissolved between now and the elections, but this event would not itself prejudice re-establishment of collaboration after the elections. (Paras. 17-18)

E. If collaboration is formalized and extended over a period of some years, significant changes in Italian political life would occur. Some leftist elements within the Socialist Party would probably break off and ally themselves with the Communists. There would be strong pressure for the resorption of the Social Democratic Party into the Socialist Party. The isolation and reduction of Communist strength would come about slowly and would depend greatly upon the depth and duration of Christian Democratic-Socialist collaboration and the degree to which social and economic reforms were in fact achieved. We believe extended collaboration would come about only if the Socialists provided more explicit commitments than they have to date regarding Italian participation and active cooperation in NATO and the European Economic Community, and we believe the Socialists will provide such commitments. Nevertheless, their participation in the government would probably lead to some changes in the conduct of Italian foreign policy and probably to some reduction of support for US and allied positions on international issues, particularly on those not directly related to the North Atlantic Alliance.

(Paras. 21, 23-24)

F. The consequences of terminating center-left collaboration would depend greatly upon the conditions under which the breakup occurred, how long the collaboration had endured, and what had been accomplished during its existence. If the circumstances were such as to drive the Socialists

back into the arms of the Communists, the consequences would be worse than if the experiment had never been tried. We believe the Christian Democrats would be aware of the dangers of such a breakup and would seek ways of preventing a polarization of political forces. We believe they would not give themselves over to rightist leadership, would try to adhere to a left-of-center course, and would leave open the possibility of re-establishing collaboration with the Socialists. Termination of center-left cooperation would confront Italy with serious problems of government, but it would not necessarily lead to a crisis of regime. (Paras. 25-27)

G. It is noteworthy that the center-left experiment has been initiated during a period when Italy is enjoying rapid and unprecedented economic growth. Gross national produce (GNP) rose by eight percent in 1961, and unemployment has been reduced to 3.2 percent. The economic lot of the average Italian has improved, but many of the old problems remain. Italian wage levels are still the lowest in the EEC, and southern Italy remains poverty-stricken and economically underdeveloped. The experiment does not appear to have significantly affected the so-called Italian economic "miracle;" 1962 will also register high growth rates although possibly slightly below those of 1961. (Para. 6)