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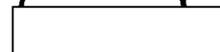
APPROVED FOR RELEASE
DATE: SEP 2004

Italy: End of the Christian Democratic Era?



An Intelligence Assessment

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EUR-10062
April 1984



Italy: End of the Christian Democratic Era?



Key Judgments

Information available as of 17 March 1984 was used in this report.

The Christian Democratic Party's (DC) dominant position within the Italian political system is eroding, possibly irreversibly. The DC's losses in the national election in June 1983 continue a trend that has been visible—with brief interruptions—for more than a decade. One recent poll suggests that, if a new election were held now, the DC's vote would fall to 28 percent. We anticipate that the DC will continue to play an important role even in decline, but its ability to guarantee domestic stability and pursue policies consistent with US interests probably will diminish

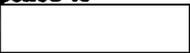


The magnitude of the DC's setback last June can be traced in large part to long-term socioeconomic trends that are cutting into the party's traditional sectors of support—the less educated, more religious, rural, and southern regions of the country:

- The population is increasingly better educated and more urban.
- Active involvement in the Catholic Church is declining, and the Church hierarchy itself is playing a less active role in politics.
- Women, a majority of whom have traditionally supported the DC, are entering the work force in increasing numbers. Their political allegiances may be shifting along with their social outlook.



Most Italians no longer view the Communist Party in Italy (PCI) as antidemocratic and pro-Soviet and, therefore, no longer feel compelled to vote for the Christian Democrats as a barrier to the Communists



Even under the best of circumstances any rejuvenation of the DC would be a prolonged process. The Christian Democrats would need to end their factional squabbling, create a more efficient party organization, and promote younger people with new ideas into the upper reaches of the party



The weakened position of the DC raises a number of possibilities for governing Italy:

- If the DC tries to subordinate its governing partners without reforming its internal structures and practices, the political extremes of left and right could find themselves well placed to gain advantage from the resulting paralysis of the policy process.



[Redacted]

- Although there are few signs that Christian Democratic or Communist leaders are prepared for a serious rapprochement, some DC and PCI officials are privately discussing closer collaboration. The two sides could find a basis for cooperation on at least some issues—institutional reform, for example—laying the groundwork for a more extensive arrangement.
- The Communists could try to form a leftist coalition with small parties and the Socialists. The Socialists currently oppose such a government, but their position could change if Prime Minister Bettino Craxi falls and is ousted from his party post.

[Redacted]

While we believe that "muddling through" is the most likely scenario over the next six months, other scenarios could become more prominent with time. In any event, we do not believe that politics will proceed as usual in Italy. The DC already has lost some of its ability to guarantee a measure of stability and policy continuity. Coalition consensus on foreign policy has begun to erode. Moreover, the decisionmaking and legislative processes in Rome are becoming more cumbersome at a time when economic, social, and institutional problems are reaching serious proportions [Redacted]

A decision to bring Communists or known Communist sympathizers into the government would clearly represent the worst case for the United States:

- Italian support for NATO programs and projects probably would weaken, and Italian-US civil and military relations probably would cool.
- In addition, a Communist presence in the Cabinet would increase the risk of compromising sensitive NATO information and call into question Italy's continued participation in the NATO Nuclear Planning Group.

[Redacted]

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Italy: End of the Christian Democratic Era [redacted]

Introduction

The Italian Christian Democrats (DC) suffered one of their worst defeats in the parliamentary election in June 1983, accelerating a downward trend that dates back to the early 1970s. Their share of the vote plunged 5.3 percentage points to 32.9 percent in the Chamber of Deputies (lower chamber), and 5.9 percentage points to 32.4 percent in the Senate—an "earthquake" in terms of the stable voting patterns of the Italian electorate (see figures 1 and 2). With their membership in the Chamber of Deputies trimmed to 225, the Christian Democrats remain the largest party in the 630-member lower chamber, but their ability to dominate government affairs has been reduced considerably [redacted]

The decline of the DC has raised serious questions about how long the party can provide the continuity it has brought to successive governments since World War II. The party's leverage vis-a-vis its governing partners already has been reduced to the point where it has been forced to yield the premiership three times; Socialist leader Bettino Craxi became Prime Minister in August 1983 after Republican leader Giovanni Spadolini had led two earlier governments. The DC's margin over the Communist Party (PCI), the second-largest party in Parliament, has slipped to 27 seats in the lower chamber and 13 in the Senate, placing the Communists within striking distance of supplanting the DC as the largest party in Parliament after the next national election [redacted]

By examining trends in the election performances of the Christian Democratic Party over the past decade, we analyze the factors that are weakening the party's hold on its supporters. We then explore alternatives to the traditional DC-dominated form of Italian government and describes some of their implications for US policy interests [redacted]

Trends: The DC in Decline

With the exception of the parliamentary election of 1976, the DC has been in a slide since 1972 (see appendixes A and B). In four of the last five national elections, the Christian Democrats have lost votes in about half of the 32 lower chamber districts and have fared only slightly better in the Senate, where the DC has lost votes in nine of 20 voting areas (see figures 3 and 4). In two of these areas—Piedmonte and Sardegna—support for the DC has dropped in all five elections. The party's defeat in the referendum on legalizing divorce in 1974 and its losses in regional elections in 1975—which saw the Communists close to within 3.5 percent of the DC—caused alarm at Christian Democratic headquarters [redacted]

The election of 1976 offered only a brief respite for the Christian Democrats (see figures 5 and 6). The DC improved marginally over its 1972 performance, maintaining a 4-percentage-point advantage over the Communists in the lower chamber and a 5-percentage-point advantage in the Senate. The Christian Democrats probably benefited in 1976 from a widespread fear that the Communist Party, which had scored dramatic gains in regional elections the previous year, might become the largest party. [redacted]

The DC's disappointing results in 1979 nullified the party's 1976 gains and left it at a 16-year low in the lower chamber and an 11-year low in the Senate. Perhaps more ominous, the geographic pattern of DC losses changed. In the three previous elections, the DC's heaviest losses occurred in the north, center, and Sardegna. In 1979, the party also began to experience difficulty in one of its traditional strongholds, the south [redacted]

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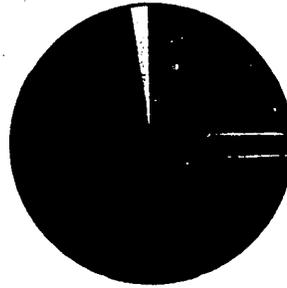
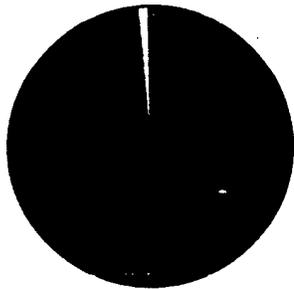
Figure 1
Chamber of Deputies

Distribution of seats
Total number of seats - 630

1979

1983

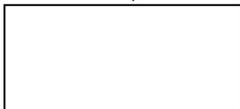
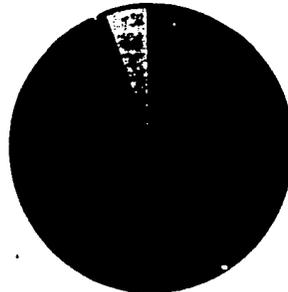
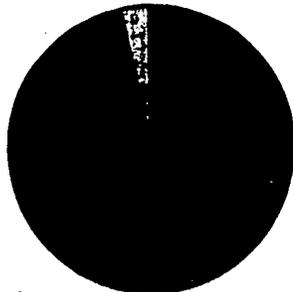
- Christian Democrats (DC)
- Communists (PCI)
- Socialists (PSI)
- Italian Social Movement (MSI)
- Republicans (PRI)
- Social Democrats (PSDI)
- Liberals (PLI)
- Radicals (RAD)
- Others



Party strength
Percent of vote received

1979

1983



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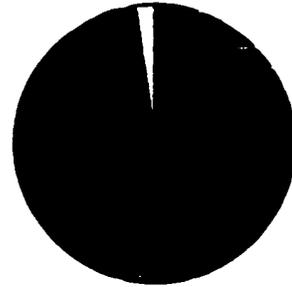
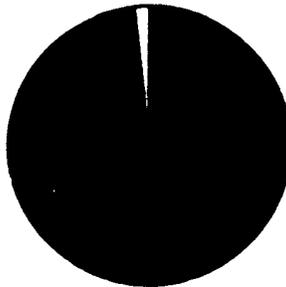
Figure 2
Senate

Distribution of seats
Total number of seats = 315

1979

1983

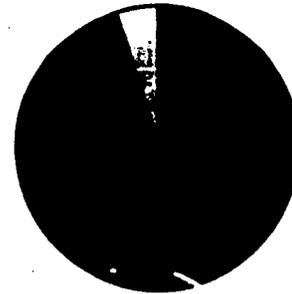
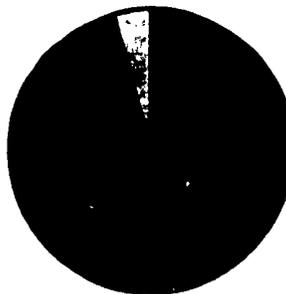
- Christian Democrats (DC)
- Communists (PCI)
- Socialists (PSI)
- Italian Social Movement (MSI)
- Republicans (PRI)
- Social Democrats (PSDI)
- Liberals (PLI)
- Radicals (RAD)
- Others



Party strength
Percent of vote received

1979

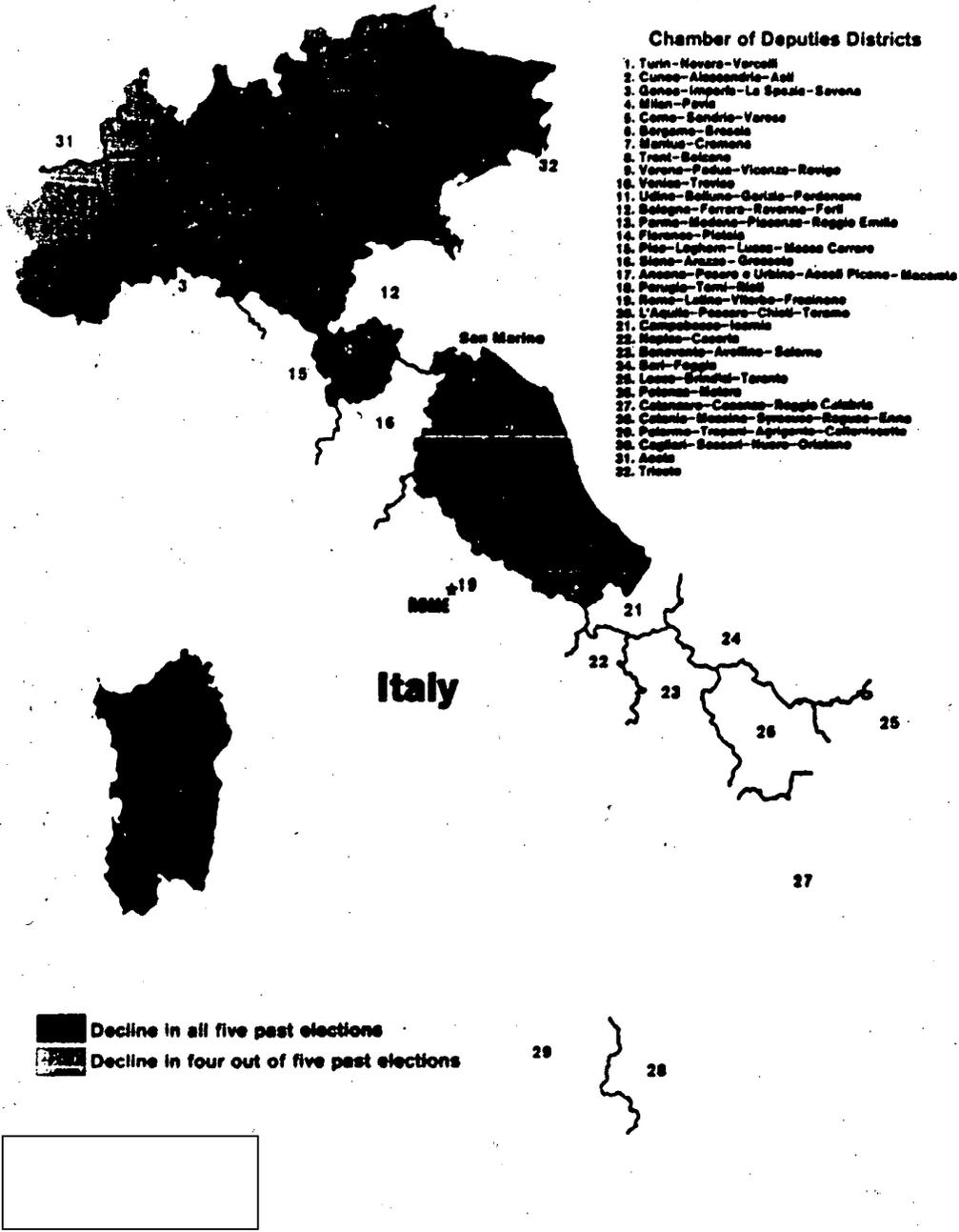
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Figure 3
Consistent Christian Democratic Losses in the Chamber of Deputies

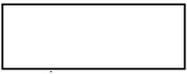
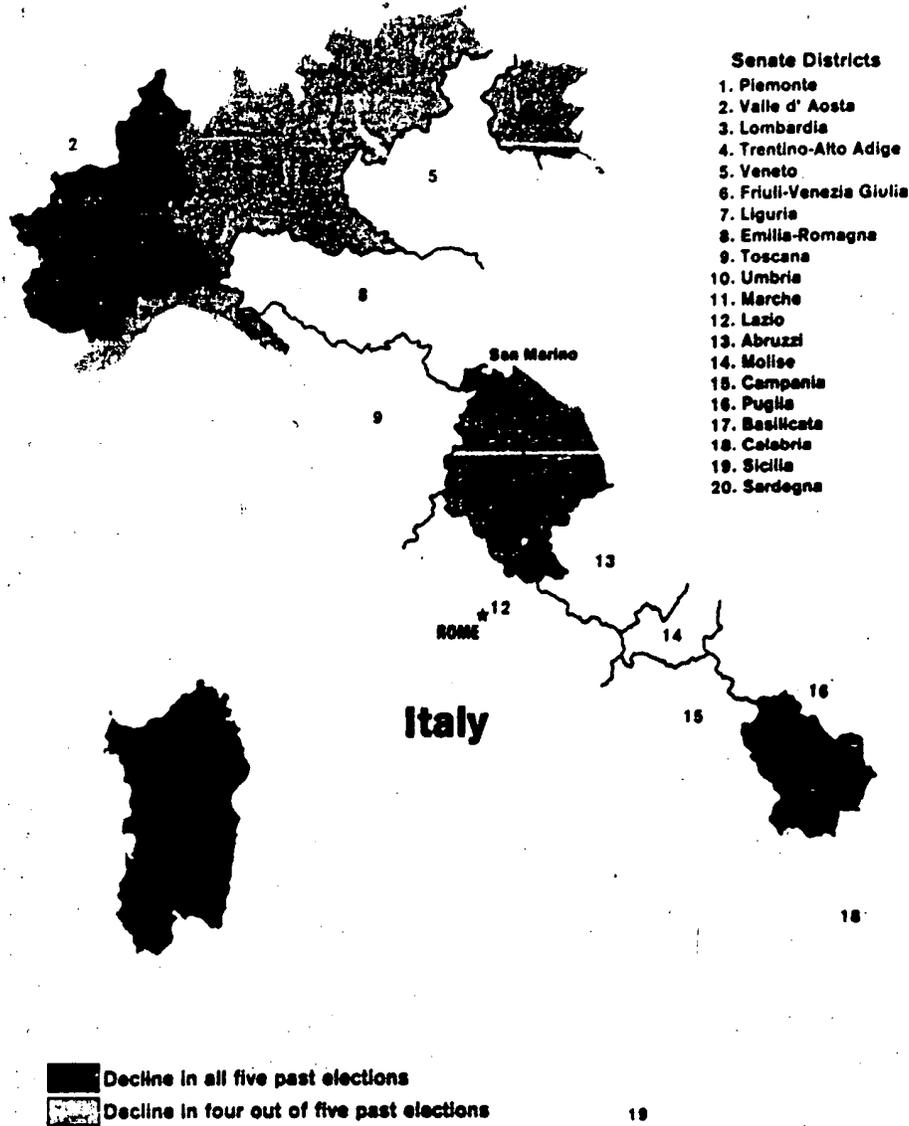


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Figure 4
Consistent Christian Democratic Losses in the Senate



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Figure 5
 Chamber of Deputies: Percentage Change of Christian Democratic Vote

1968 compared to 1983



Chamber of Deputies Districts

1. Turin-Novara-Vercelli
2. Cuneo-Alessandria-Asti
3. Genoa-Imperia-La Spezia-Savona
4. Milan-Pavia
5. Como-Sondrio-Varese
6. Bergamo-Brescia
7. Mantua-Cremona
8. Trent-South Tyrol
9. Verona-Padua-Vicenza-Rovigo
10. Venice-Treviso
11. Udine-Belluno-GORIZIA-Pordenone
12. Bologna-Ferrara-Ravenna-Ferrara
13. Parma-Modena-Piacenza-Reggio Emilia
14. Florence-Florence
15. Pisa-Livorno-Lucca-Massa Carrara
16. Siena-Arezzo-Grosseto
17. Ancona-Pesaro e Urbino-Ancoli Piacenza-Macerata
18. Perugia-Teramo-Rieti
19. Rome-Latina-Viterbo-Frosinone
20. L'Aquila-Pescara-Chieti-Teramo
21. Campobasso-Isernia
22. Naples-Caserta
23. Benevento-Avellino-Salerno
24. Bari-Foggia
25. Lecce-Brindisi-Taranto
26. Potenza-Matera
27. Catanzaro-Cosenza-Reggio Calabria
28. Calabria-Messina-Syracusa-Ragusa-Enna
29. Palermo-Trapani-Agrigento-Catania
30. Cagliari-Sassari-Nuoro-Oristano
31. Aosta
32. Trieste

1976 compared to 1983



Percentage change

- Below -20.0 (greatest loss)
- 16.5 to -19.9
- 11.0 to -16.4
- 8.0 to -10.9
- 0.0 to -7.9
- Above 0.0 (no loss)

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Figure 6
Senate: Percentage Change of Christian Democratic Vote

1968 compared to 1983



Senate Districts

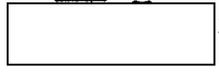
1. Piemonte
2. Valle d' Aosta
3. Lombardia
4. Trentino-Alto Adige
5. Veneto
6. Friuli-Venezia Giulia
7. Liguria
8. Emilia-Romagna
9. Toscana
10. Umbria
11. Marche
12. Lazio
13. Abruzzi
14. Molise
15. Campania
16. Puglia
17. Basilicata
18. Calabria
19. Sicilia
20. Sardegna

1976 compared to 1983



Percentage change

- Below -20.0 (greatest loss)
- 16.5 to -19.9
- 11.0 to -16.4
- 6.0 to -10.9
- 0.0 to -7.9
- Above 0.0 (no loss)

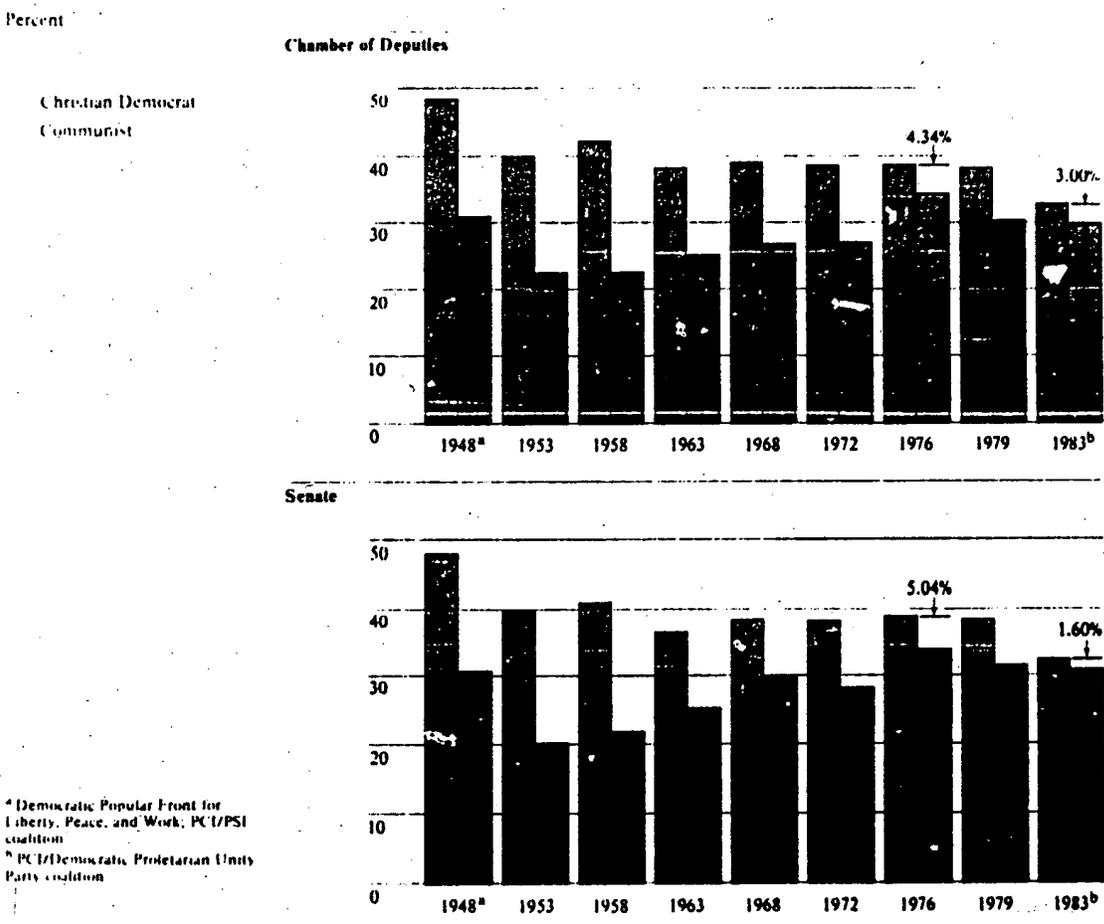


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Figure 7
Christian Democratic/Communist Vote Shares



In 1983, the DC lost votes everywhere in the south, except for the Basilicata and Molise regions, two backward areas that are slower to change than most other parts of Italy. In addition to the DC's widespread losses in the south, at least three other factors distinguished the 1983 vote from preceding elections:

- The *severity* of the DC's losses—5.3 percentage points in the lower chamber and 5.9 percentage points in the Senate.

- The *geographic uniformity* of the losses. The DC lost nearly everywhere, with some of its worst setbacks occurring in its most secure bastion in the northeast.
- The *narrow gap separating the Christian Democrats from the Communists*. Even though the Communists did not gain ground in the 1983 election, the DC's losses have brought the PCI to within 3

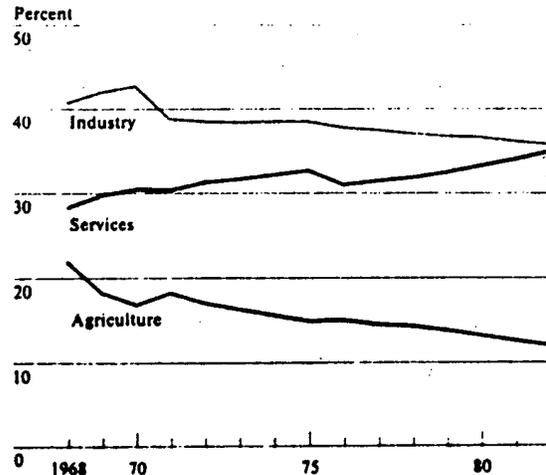
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percentage points and 1.4 percentage points of becoming the largest party in the lower chamber and in the Senate, respectively (see figure 7).

Figure 8
Percent of Work Force Engaged in Agriculture, Industry, and Services

Factors Behind the Decline

Most observers believe that the principal reason for the DC's deteriorating record is that 40 years in power finally have caught up with it. They believe the public has come increasingly to identify the DC with the failure to solve pressing social and economic problems. In our view, the Christian Democrats have also been hurt by a decline in the public's fear of the Communists, as well as by chronic DC factionalism, which has impeded party—and governmental—reform.



Damaging Socioeconomic Trends

The rapid socioeconomic change that has accompanied postwar industrialization has eroded the DC electorate:

- The decline of agriculture and improvements in education, for example, have thinned the ranks of the agricultural workers and the less educated who traditionally voted for the DC (see figure 8).

• We judge that the increasing numbers of women into the work force are also hurting DC electoral fortunes. We believe that as more women enter a work environment that takes them beyond the social orbit of their local parish, their participation in Church activity as well as their propensity to favor the DC are likely to suffer. Although it may be a case of statistical coincidence, the 5.8-percent increase in the number of women in the work force since 1972 corresponds closely to the DC's 5.3-percent loss last June (see figure 9).

- While practicing Catholics still provide the backbone of the DC's support, academic studies suggest that Church attendance and participation in Church-sponsored activities is on the decline, weakening Catholic voters' link to the DC.

[Redacted]

Christian Democratic leaders also may have lost an important source of moral as well as financial support through the selection of a Polish Pope. The DC had maintained close contacts with John Paul II's postwar predecessors, and many DC leaders had been youthful acquaintances of Paul VI and John XXIII. Moreover, since the legalization of divorce in the referendum of 1974, the clergy as a whole seems to have reduced its involvement in national politics, perhaps because of clerical concern that the DC's problems could speed up the secularization process and further damage Church interests.

Waning Communist Threat

During the late 1940s and 1950s, a substantial plurality saw the DC as the principal barrier against a PCI

For more details, see DDI Intelligence Research Paper EUR 82-1002 [Redacted] March 1982. *The Italian Christian Democrats: An Uncertain Future* [Redacted]

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Veneto and Campania

Two DC strongholds, Veneto and Campania, are noteworthy both because of the size of the party's losses in the June 1983 election and the causes that seem to have been at work []

The DC's worst setbacks came in Veneto, long considered the heartland of Christian Democracy. June marked the first time that the Christian Democrats had lost their absolute majority in the region. They fell from their 1979 vote of 50.1 percent to 42.5 percent and lost approximately 210,000 votes. Losses in the larger cities were striking; the party lost 12 percentage points in Vicenza, 10 points in Padova, 8.7 points in Verona, and 8.4 percent in Treviso. We suspect, however, that losses in the provincial hinterlands of 8.1 percent in the Rovigo area and 7.4 percent in the Venice area are even more ominous. It is here among the small farms and kitchen gardens, with a social fabric built around a mix of agriculture and industry, that voting DC has been considered practically a given []

Traditional Venetian votes—those who saw religion as a principle of order and stability—shifted their support to nascent regional and special interest parties like the Venetian League, the List for Trieste, and the Pensioner's Party. According to the press, this shift in part reflected the failure of the clergy to support the Christian Democrats during the campaign. In some instances during the campaign members of the clergy actually worked against the DC. One month prior to the election, for example, the Bishop of Vicenza began a sharp exchange with the President of the Venetian Manufacturers Association, a man closely identified with DC economic policy, criticizing the industrialists for their hard line on wage issues []



Even in Campania, the home region of party leader Ciriaco DeMita, party losses reached 6 percentage points in both the lower chamber and the Senate. The Christian Democrats suffered more serious setbacks—about 9 to 10 percentage points—in a number of scattered districts, including the city of Naples. []

The issue of morality seems to have weighed particularly heavily on the DC in Campania. Preselection allegations that DC representatives had negotiated with the Camorra—the local variant of the Mafia—to gain the release of a kidnaped DC leader seem to have played an important part in convincing many DC voters to turn elsewhere. So did judicial inquiries into the activities of a number of Campania-based national DC officials and a highly publicized crackdown on the Camorra []

that seemed to threaten Italian values and the democratic system. As long as the Communists remained suspect, the DC was able easily to extend its appeal beyond the ranks of practicing Catholics. But the Communists have worked hard to counter the party's authoritarian and pro-Soviet reputation. Research by

leading academics and commentary in the non-Communist Italian and foreign press suggest that they have had considerable success in this effort []

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Figure 9
Women in the Work Force



[Redacted]

Diminishing concerns about the PCI may be attributed, in part, to the gradual decline of its share of the vote since its high point in the mid-1970s. Since 1976, for example, the PCI has lost 4.5 percentage points in the lower chamber. Some traditional DC supporters who have backed their party because of the perceived threat to traditional institutions posed by a powerful PCI have probably concluded from the PCI's decline that they can afford to cast their ballots for a different party. [Redacted]

More important, the PCI has managed to establish itself as an honest and efficient force in Italian politics by playing on its relatively good record in local government. The Communists have touted their accomplishments in cities like Bologna to argue that they have much to offer at the national level. The party has also kept relatively free of the scandals that have damaged other parties—the Christian Democrats and the Socialists in particular. A close reading of the Italian press leads us to conclude that the PCI's close involvement with several DC-led governments

between 1976 and 1979—trading parliamentary support for consultation on key policy issues—left many Italians with the impression that the PCI is willing to work within the system. Finally, [Redacted] press reports indicate that PCI criticism of Soviet policies in Czechoslovakia, Afghanistan, and Poland has helped to convince a sizable number of voters of the party's independence from Moscow. [Redacted]

The evolution of the PCI's approach on both foreign and domestic questions toward a position more in keeping with Western values is taken as a given in some governmental and Church circles. [Redacted]

[Redacted]

In a nationally televised debate with Communist Party Secretary Enrico Berlinguer, Christian Democratic Party Secretary Ciriaco DeMita boosted PCI "legitimacy" by saying that Communists were entitled to try to form a government if they controlled the necessary number of seats in Parliament, even though he believed they lacked the policies and personnel to govern the country. Even the Church, although not sanctioning the Communists, has abandoned direct confrontation in favor of an accommodation with the PCI in many parts of the country. In areas like Bologna, for example, some priests maintain close ties with local Communist bosses. [Redacted]

Party Factionalism and Reform

In addition to the external factors contributing to the DC decline, the Christian Democrats have been seriously weakened by the persistence of highly organized and sharply divergent party factions (see table 1). The factions are an outgrowth of the party's successful effort to appeal to a wide range of interests in the early postwar period. While most Italian parties have factions, none have reached the "miniparty" status of the DC's factions. Over time, the DC has come to resemble an umbrella organization sheltering groups that sometimes have diametrically opposed views. [Redacted]

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Christian Democratic Factions and Their Strength in the Party National Council, 1981

Factions	Seats
Left leaning	
Base	15
Morotei	16
Bodrato	12
Gullotti	9
Center	
Andreotti	23
Fanfani	12
Piccoli	21
Forlani	15
Right leaning	
Donat-Cattin	14
Bisaglia	13
Colombo	7
Rumor	3

This table is [redacted]

Because the DC has been the dominant party, control of the party by one or another faction has been practically synonymous with control of the national government. In our view, this has weakened public faith both in the governing process and in the Christian Democrat [redacted]

Despite repeated attempts to break with the past, the coalition of feuding fiefdoms led by aging leaders has been slow to carry out the reforms, such as limiting the age of members of the DC's Parliamentary delegation, which are needed to rejuvenate the party. Ironically, the election in 1980 of DeMita, a leader with genuinely reformist inclinations, added to the DC's difficulties in the campaign as antagonisms developed between DeMita and the factional leaders.

[redacted] although other party leaders had recognized his ties with reformist elements in the party's left wing, these elements mistakenly believed they could control his zeal. [redacted]

If DeMita's colleagues in the party leadership underestimated him, it seems to us that he misjudged the difficulty of reform. In attempting to rid the party of

graft and corruption and to exercise the prerogatives of office—for example, replacing local leaders in crucial districts with handpicked "commissars"—he failed to recognize the potential political costs. Moreover, he seriously overestimated the ability of an internally divided DC to contest a national election in the summer of 1983. [redacted]

DeMita apparently calculated that to offset the erosion in the party's traditional electorate, the DC needed to enlarge its share of the "progressive" professional, white-collar, more upwardly mobile voters. His campaign emphasized economic austerity and aimed primarily at big business in the urban north and center of the country—areas of traditional support for the Republicans and Liberals, small lay parties that emphasize conservative economic policy. DeMita and his colleagues launched a relatively slick, low-key campaign calculated to present the DC as a modern and efficient party with attractive candidates and new ideas [redacted]

Judging by the vote, this strategy failed. Big business stuck with—even increased—its allegiance to the Republicans and Liberals. It apparently concluded that the DC's version of austerity was not austere enough or it mistrusted the party's motives. At the same time, the emphasis on austerity—cutting pensions and health care benefits in particular—directly threatened many of the DC's blue-collar and older voters. [redacted]

Outlook for The DC

We agree with many scholars that the DC will never regain the 38 to 40 percent of the vote it once commanded. In our judgment, over the next 10 years the DC's vote will continue to fall toward the middle 20s. A recent poll suggests that, if a new election were held now, the DC's vote would fall to 28 percent, and politicians of both the governing majority and the opposition [redacted] expect the DC to do poorly in the European Parliament election in June. [redacted]

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Anatomy of a Campaign

If the DC's past strength has been its ability to be all things to all groups, then DeMita's new approach to running the party and courting the electorate represented a radical departure. Although the long-term socioeconomic trends almost certainly would have dealt the DC a setback under any circumstances, part of the responsibility for the size of the party's losses can probably be attributed to poor campaign decisions. By courting big business and castigating the traditional party reliance on "clientelism," DeMita found himself in the unprecedented position of choosing between the various conflicting interests that the DC traditionally has tried to attract—a position studiously avoided by his predecessors

The DC's traditional big guns—Fanfani, Andreotti, and Forlani—displayed little apparent interest in the campaign. Indeed, Fanfani's only widely observed contribution was a television attack on DeMita. For the most part, other party leaders concentrated on shoring up their own local political networks and personal allies rather than campaigning for the party.

While the DC's traditional leaders were proclaiming publicly their continued support for DeMita during negotiations with the Socialists and small parties after the election, these leaders were working privately—and successfully—to restrict DeMita's authority and reassert their personal power. Andreotti emerged from the intraparty negotiations with the Foreign Affairs portfolio, while Forlani, DeMita's principal rival at the 1982 party congress, was named Deputy Prime Minister.

This does not mean that DC losses will necessarily be rapid or precipitous. At least some of the losses last June were due to leadership errors. It might be that under another leader, following a different campaign strategy, the DC could contain its losses or even win back 1 or 2 percentage points in the next national elections.

At least some of the long-term factors eroding the DC's electoral base are likely to worsen, however, and the others are unlikely to improve:

- Female participation in the labor force, at 27 percent, is still considerably below that in other Western countries; most economists expect the trend of increasing participation in the work force to continue.
- While we do not foresee major changes, the number of agricultural workers should drop a little more over the rest of the decade.
- Most scholars project Church affiliation will continue to decline.
- Since party moderates appear to be in firm control in the PCI, we do not anticipate any major policy switches that would reawaken voter fears of Moscow's influence.
- As long as Fanfani, Andreotti, and the rest of the old guard—men mostly in their late sixties—remain active in the DC, we do not anticipate a significant decline in factionalism.

The DC faces a dilemma in its effort to increase its electorate; to attract new support it must advocate reforms that would further alienate its traditional base. By advocating clean, efficient government and cracking down on local graft and corruption, for example, the party runs the risk of undermining the traditional clientelistic relationships that have paid off so handsomely for the DC in the past. The June 1983 election suggests that once local political bosses become convinced that the DC is no longer willing or able to protect their interests, their incentive for channeling votes to the Christian Democrats will diminish. By trying to maintain these traditional relationships, however, the DC risks alienating reform-minded voters who already suspect that DeMita's "new DC" is simply another smokescreen for the "old DC."

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In our view, even under the best of circumstances, any rejuvenation of the DC would be a prolonged process. The Christian Democrats would need to become a more tightly knit party with the factions clearly subordinate to the party secretary. They also would need to organize the party more efficiently to provide the support that traditional groups—like the Church—are either less willing or no longer able to come up with. In addition, the DC would need to promote younger people with new ideas into the upper reaches of the party. And, if the role of the electronic media in Italian elections continues to grow as most observers anticipate, the DC would need to field candidates who can use television and radio effectively []

The only potential bright spot for DC leaders in an otherwise bleak picture is some slim evidence that the party's share of the youth vote is increasing. Last June, the party for the first time did better in the lower chamber—which has a lower voting age requirement—than the Senate. DC officials have interpreted this as a sign that the party's share of the youth vote is increasing. []

Alternative Scenarios

Although DeMita and other senior Christian Democrats continue to insist publicly that the present five-party coalition is the only viable governing formula, the governing parties have longstanding disagreements on a range of issues. Given the DC's weakening position, interest in exploring other government formulas is likely to grow. The outcome is difficult to predict; we believe the following scenarios are all possibilities. []

Muddling Through With Increasing Polarization

Despite widespread unhappiness over the party's alliance with the Socialists and dissatisfaction with DeMita's leadership, party leaders may be content to cling to the status quo for fear that trying to alter the

situation would damage the party further. Party bosses reluctant to surrender their personal power or alienate longtime clients may block DeMita's attempts to push through meaningful reform. The party's inability to transform itself then would remain a stumblingblock to attempts to attract reform-minded voters. []

In this case, DC leverage over its coalition partners and its grasp on the country's economic resources would continue to slip. The party probably would settle for maintaining the recent practice of alternating key posts—for example, the presidency of the Republic and the premiership—between itself and the small center-left parties []

A trend toward an equitable and routine division of the political spoils between the parties of the governing coalition could backfire by contributing to public cynicism with the political process. The ultimate beneficiaries of this cynicism could be the representatives of the political extremes of left and right, and the ultimate result an intensification of political polarization. For instance, a trend toward polarization could put the PCI—which many Italian observers believe averted more serious losses in 1983 by uniting with the Democratic Party of Proletarian Unity—in a position to unite most of the remaining small leftist parties under its banner. At the other end of the political spectrum, a surprising number of traditional DC voters already appear to have shifted to the neo-fascist Italian Social movement in the 1983 balloting, when the MSI won 6.8 percent of the vote []

DC-PCI Alliance

Alternatively, the weakening of the DC's grasp in Parliament and the cleavages within the governing coalition could offer the Communists new openings. Press reports suggest that there are those within the upper reaches of the DC hierarchy who harken back to the cooperation between the Christian Democrats and the Communists in 1976-79, when the two parties were able to enforce their will in Parliament. Although there are few signs that the majority of DC leaders currently are prepared to attempt a serious rapprochement with the Communists, a close reading of the press suggests that a growing number of

[Secret]

Christian Democrats believe that their party has traded away important leverage over the Socialists and the small parties by ruling this out. This point was underscored by the DC's popular former party Secretary Benigno Zaccagnini who stated during the party congress that the DC must remain open to considering other governing arrangements. Some US officials have speculated that DC leaders would shun closer cooperation with the Communists if the PCI outpolled them in the next national election. We believe, however, that after 40 years in office sentiment within the DC for striking a deal with the Communists would grow rather than diminish if the PCI outscores the DC [redacted]

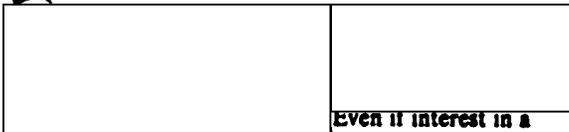


A Leftist Alliance

As another alternative, the DC's weakened electoral position could ease the way for a deal between the Communists and the Socialists. Although the Socialists under Craxi have moved firmly into the pro-NATO camp on questions like INF, most observers continue to characterize them as a party whose heart still "beats to the left." [redacted]

Despite the harsh words that have passed between the Christian Democrats and Communists since 1979, we would not rule out the possibility of more extensive cooperation, if only because both parties see Socialist Prime Minister Craxi as their most serious rival. Under present circumstances, this might take the form of collaboration on specific issues like institutional reform. Press reports suggest, for example, that the two major parties might support a bill designed to stop the proliferation of small parties by excluding from Parliament parties that fail to gain at least 5 percent of the vote [redacted]

Although Craxi appears firmly in control at the moment, we believe that the situation could change abruptly if his government runs up against a series of setbacks. The risk of a slide back to the left would be markedly greater, in our view, if Craxi were to lose control of his party. If, for example, former Socialist Minister of Finance Rino Formica were to gain control of the Socialist Party after the current Craxi government falls, we would expect a flurry of feelers from both Communists and Socialists on the possibilities of forging a new political alliance. [redacted]



Even if interest in a DC-PCI coalition spreads, we believe that it would take considerable time—probably more than a year—for such a movement to come to fruition. Leaders from both parties would have to convince their colleagues, ease the way for acceptance by the rank and file, and test international reaction before finally setting the project in motion [redacted]

To form a viable governing alliance, the Socialists and Communists would need the support in Parliament of the Republicans, Social Democrats, and all the small left parties. Although it is hard to imagine the Republicans and Social Democrats agreeing to participate in such a government today, we believe that a positive response to this kind of invitation cannot be ruled out in all circumstances. Faced with the prospects of another early dissolution of Parliament and continued political stalemate, the leaders of the two parties might agree to participate, if only to avoid institutional stalemate and to provide a guarantee against excesses by a left government [redacted]

If DC and PCI leaders decide to move beyond the talking stage, we expect they could not keep intentions confidential for long. In preparing for such a move we would expect:

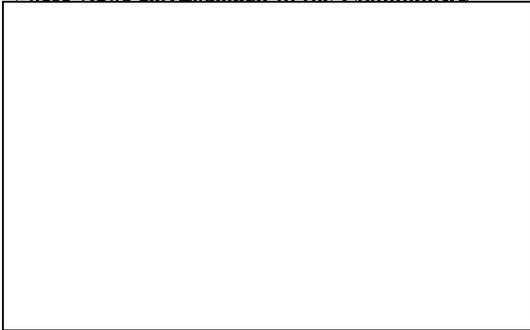
- Both parties to begin playing down their differences on major foreign policy questions.
- The Communists to begin highlighting once again their key role in the legislative process.

Other Possibilities

Several other alternatives are possible if the current arrangement cannot be maintained and if a Christian Democratic-Communist or leftist alternative solution

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fails to materialize. Most involve some version of a minority government with outside support either from members of the current governing coalition or from the Communists. Under these circumstances, the PCI might have the option of making its support contingent upon the naming of "independent" ministers whose views corresponded to the Communists.



While we believe that "muddling through" is the most likely scenario over the next six months, the others could become more prominent with time.

Implications for the United States

Even under the best of circumstances, we do not believe that politics will proceed as usual in Italy. For one thing, the DC has already lost some of its ability to guarantee a measure of stability and policy continuity. The blow it took in the last election has thrown the party into disarray and diminished the Christian Democrats' leverage with their coalition partners. This has made the decisionmaking and legislative process in Rome more cumbersome at a time when many observers insist that economic, social, and institutional problems are reaching critical proportions. It has also threatened the coalition consensus on foreign policy. Last winter, for the first time in recent memory, the press was rife with stories about disagreements within the cabinet over issues like Lebanon and relations with the Soviets.

A decision to bring into the cabinet PCI members or individuals sympathetic to PCI positions—under the guise of a DC-PCI arrangement, a Leftist Alternative, or a Government of National Unity—would have more direct and immediate consequences for US interests. Although the PCI has clearly put distance

between itself and Moscow in recent years, we believe it would be a mistake to interpret this as an evolution toward support for US positions. In our view, it instead reflects the party's desire for genuine independence and has not fundamentally changed the PCI's hostility toward US aims.

We anticipate that at a minimum, bringing the Communists into the government would:

- Shake business confidence and slow down Italy's nascent economic recovery.
- Weaken Italian support for NATO programs and projects.
- Complicate bilateral civilian and military relations as Italian officials show a greater inclination to "go by the book" rather than rely on ad hoc and informal arrangements.
- Raise questions about US access to Italian ground facilities or airspace in the event of crises in the Mediterranean.
- Force NATO to consider whether Italian access to the Nuclear Planning Group and other sensitive discussions and information should be restricted.

The manner in which Italian politicians manage the transition from the political world dominated by the DC to a new and still uncharted future will have an important effect on American interests. If Italian democracy cannot produce political forces capable of assuming the DC's stabilizing role, or if the DC's decline is too fast to be controlled, the Communists will acquire greater weight. The consequences for US interests could be severe.

Appendix A

Christian Democratic Party Election Results— Chamber of Deputies

	1968		1972		1976		1979		1983
	Percent	Seats	Percent	Seats	Percent	Seats	Percent	Seats	Percent
Northwest									
Valle d'Aosta							18.3		19.6
Torino-Novara-Vercelli	32.2	11	33.5	11	32.8	12	31.0	12	24.3
Cuneo-Alessandria-Asti	45.0	7	44.6	7	43.2	7	41.4	7	36.0
Genoa-Imperia-LaSpezia-Savona	33.3	7	33.5	8	34.4	8	32.2	8	27.3
Milano-Pavia	35.0	16	34.3	16	35.1	18	33.4	18	27.2
Como-Sondrio-Varese	47.8	9	45.9	8	45.4	9	43.6	9	36.8
Brescia-Bergamo	55.4	12	55.4	12	53.2	12	51.1	12	45.2
Mantova-Cremona	38.4	4	38.3	4	38.5	3	37.8	4	33.6
Northeast									
Trento-Bolzano	38.0	4	39.2	4	32.8	3	31.0	4	27.6
Verona-Padova-Vicenza-Rovigo	56.7	17	57.1	17	55.5	16	54.0	16	46.1
Venezia-Treviso	47.1	8	47.3	8	45.5	8	44.6	8	37.2
Udine-Belluno-Gorizia-Pordenone	46.3	7	45.9	7	44.4	6	41.7	6	37.9
Trieste	34.5	2	35.9	2	32.0	6	23.3	1	23.3
Center									
Bologna-Ferrara-Ravenna-Forti	24.2	6	24.6	6	25.8	7	24.7	7	20.5
Parma-Modena-Piacenza-Reggio E.	30.0	6	29.9	6	32.0	6	30.7	6	25.9
Firenze-Pistoia	30.1	5	29.7	5	29.5	3	29.1	5	23.9
Pisa-Livorno-Lucca-Massa C.	33.3	5	33.5	5	33.8	5	32.4	5	27.4
Siena-Arezzo-Grosseto	28.0	3	29.1	3	29.5	3	28.1	3	24.5
Ancona-Pesaro-Macerata-Ascoli Piceno	39.4	7	39.5	7	39.0	7	37.9	7	33.4
South									
Perugia-Terni-Rieti	31.6	4	32.2	4	32.0	4	31.1	4	27.8
Roma-Viterbo-Latina-Frosinone	34.4	16	34.4	16	35.7	19	36.5	20	30.9
L'Aquila-Pescara-Chieti-Teramo	48.7	8	48.2	8	44.2	7	45.7	7	42.2
Campobasso-Isernia	49.9	2	55.1	3	50.7	3	54.7	3	55.5
Napoli-Caserta	37.3	14	35.6	14	36.3	14	39.0	16	32.6
Benevento-Avellino-Salerno	43.3	9	46.5	10	46.0	9	48.6	10	43.5
Bari-Foggia	43.8	11	40.0	10	40.6	10	42.1	10	34.4
Lecce-Brindisi-Taranto	44.7	9	43.6	9	43.0	8	43.6	9	38.5
Potenza-Matera	48.8	4	49.2	4	44.5	4	43.6	4	46.0
Catanzaro-Cosenza-Reggio	41.9	11	39.1	10	39.4	9	42.8	10	36.8
Sicily									
Catania-Messina-Siracusa-Ragusa-Enna	40.4	12	39.0	12	39.9	7	42.4	12	36.0
Palermo-Trapani-Agrigento-Caltanissetta	40.5	12	40.7	12	43.4	12	45.2	12	40.0
Sardegna									
Cagliari-Sassari-Nuoro-Oristano	42.9	8	40.9	8	39.9	7	38.1	7	31.7

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Seats	Change 1968/1972		Change 1972/1976		Change 1976/1979		Change 1979/1983		Change 1968/1983		Change 1976/1983	
	Percent	Seats										
							1.3					
9	1.3	0	-0.7	1	-1.8	0	-6.7	-3	-7.9	-2	-8.5	-3
5	-0.4	0	-1.4	0	-1.8	0	-5.4	-2	-9.0	-2	-7.2	-2
6	0.2	1	0.9	0	-2.2	0	-4.9	-2	-6.0	-1	-7.1	-2
11	-0.7	0	0.8	2	-1.7	0	-6.2	-4	-7.8	-2	-7.9	-4
7	-1.9	-1	-0.5	1	-1.8	0	-6.8	-2	-11.0	-2	-8.6	-2
10	0	0	-2.2	0	-2.1	0	-5.9	-2	-10.2	-2	-8.0	-2
3	-0.1	0	0.2	-1	-0.7	1	-4.2	-1	-4.8	-1	-4.9	0
3	1.2	0	-6.4	-1	-1.8	1	-3.4	-1	-10.4	-1	-5.2	0
14	0.4	0	-1.6	-1	-1.5	0	-7.9	-2	-10.6	-3	-9.4	-2
8	0.2	0	-1.8	0	-0.9	0	-7.4	0	-9.9	0	-8.3	0
5	-0.4	0	-1.5	-1	-2.7	0	-3.8	-1	-8.4	-2	-6.5	-1
1	1.4	0	-3.9	4	-8.7	-5	0	0	-11.2	-1	-8.7	5
5	0.4	0	1.2	1	-1.1	0	-4.2	-2	-3.7	-1	-5.3	-2
5	-0.1	0	2.1	0	-1.3	0	-4.8	-1	-4.1	-1	-6.1	-1
4	-0.4	0	-0.2	-2	-0.4	2	-5.2	-1	-6.2	-1	-5.6	1
4	0.2	0	0.3	0	-1.4	0	-5.0	-1	-5.9	-1	-6.4	-1
2	1.1	0	0.4	0	-1.4	0	-3.6	-1	-3.5	-1	-5.0	-1
6	0.1	0	-0.5	0	-1.1	0	-4.5	-1	-6.0	-1	-5.6	-1
3	0.6	0	-0.2	0	-0.9	0	-3.3	-1	-3.8	-1	-4.2	-1
17	0	0	1.3	3	0.8	1	-5.6	-3	-3.5	1	-4.8	-2
6	-0.5	0	-4.0	-1	1.5	0	-3.5	-1	-6.5	-2	-2.0	-1
3	5.2	1	-4.4	0	4.0	0	0.8	0	5.6	1	4.8	0
11	-1.7	0	0.7	0	2.7	2	-6.4	-2	-4.7	0	-3.7	0
9	3.2	1	-0.5	-1	2.6	1	-5.1	-1	0.2	0	-2.5	0
8	-3.8	-1	0.6	0	1.5	0	-7.7	-2	-9.4	-3	-6.2	-2
1	-1.1	0	-0.6	-1	0.6	1	-5.1	-1	-6.2	-1	-4.5	0
4	0.4	0	-4.7	0	-0.9	0	2.4	0	-2.8	0	1.5	0
5	2.8	-1	0.3	-1	3.4	1	-6.0	-1	-5.1	-2	-2.6	0
10	1.4	0	0.9	-5	2.5	5	-6.4	-2	-4.4	-2	-3.9	3
11	0.2	0	2.7	0	1.8	0	-5.2	-1	-0.5	-1	-3.4	-1
6	2.0	0	1.0	-1	-1.8	0	-6.4	-1	-11.2	-2	-8.2	-1

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Appendix B

Christian Democratic Party Election Results— Senate Results

	1968		1972		1976		1979		1983
	Percent	Seats	Percent	Seats	Percent	Seats	Percent	Seats	Percent
Northwest									
Piemonte	36.7	10	36.5	9	36.4	10	35.0	9	28.2
Valle d'Aosta	53.3	1							18.1
Lombardia	42.1	20	41.6	20	41.8	21	40.6	21	34.4
Liguria	33.8	4	33.5	5	34.0	14	33.3	4	28.7
Northeast									
Trentino-Alto Adige	39.2	4	40.8	5	35.3	3	33.4	3	29.7
Veneto	53.1	13	53.2	14	52.4	14	51.3	14	43.4
Friuli-Venezia Giulia	45.1	4	44.2	4	44.9	4	38.4	4	35.1
Center									
Emilia-Romagna	26.7	6	27.0	6	29.0	7	27.9	6	23.2
Toscana	31.6	7	31.4	7	32.1	7	31.0	7	26.4
Umbria	31.1	2	32.9	3	31.5	2	30.5	2	26.4
Marche	40.7	4	40.6	4	40.8	4	39.4	4	34.4
South									
Lazio	33.4	9	33.7	8	36.3	10	36.8	11	30.4
Abruzzi	47.3	4	47.4	4	45.3	4	46.3	4	42.6
Molise	49.7	2	58.3	2	54.0	1	55.4	2	56.0
Campania	35.4	11	35.7	11	37.9	12	39.2	13	32.8
Puglia	41.2	9	39.3	9	41.1	9	41.5	9	33.4
Basilicata	48.1	4	46.1	4	43.3	3	44.6	4	43.4
Calabria	40.1	5	37.7	5	38.6	5	40.3	5	34.6
Islands									
Sicilia	35.4	11	35.9	11	39.9	11	40.3	12	33.0
Sardegna	42.5	5	41.3	4	41.2	4	39.6	4	39.6



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Seats	Change 1968/1972		Change 1972/1976		Change 1976/1979		Change 1979/1983		Change 1968/1983		Change 1976/1983	
	Percent	Seats										
7	-0.2	-1	-0.1	1	-1.4	-1	-6.8	-2	-8.5	-3	-8.2	-3
0									-35.2	-1		
17	-0.5	0	0.2	1	-1.2	0	-6.2	-4	-7.7	-3	-7.4	-4
4	-0.3	1	0.5	-1	-0.7	0	-4.6	0	-5.1	0	-5.3	0
3	1.6	1	-5.5	-2	-1.9	0	-3.7	0	-9.5	-1	-5.6	0
12	0.1	1	-0.8	0	-1.1	0	-7.9	-2	-9.7	-1	-9.0	-2
4	-0.9	0	0.7	0	6.5	0	-3.3	0	-10.0	0	-9.8	0
6	0.3	0	2.0	1	-1.1	-1	-4.7	0	-3.5	0	-5.8	-1
6	-0.2	0	0.7	0	-1.1	0	-4.6	-1	-5.2	-1	-5.7	-1
2	1.8	1	-1.4	-1	-1.0	0	-4.1	0	-4.7	0	-5.1	0
3	-0.1	0	0.2	0	-1.4	0	-5.0	-1	-6.3	-1	-6.4	-1
9	0.3	-1	2.6	2	0.5	1	-6.4	-2	-3.0	0	-5.9	-1
4	0.1	0	-2.1	0	1.0	0	-3.7	0	-4.7	0	-2.7	0
2	8.6	0	-4.3	-1	1.4	1	0.6	0	6.3	0	2.0	1
11	0.3	0	2.2	1	1.3	1	-6.4	-2	-2.6	0	-5.1	-1
8	-1.9	0	1.8	0	0.4	0	-8.1	-1	-7.8	-1	-7.7	-1
4	-2.0	0	-2.8	-1	1.3	1	-1.2	0	-4.7	0	0.1	1
4	-2.4	0	0.9	0	1.7	0	-5.7	-1	-5.5	-1	-4.0	-1
10	0.5	0	4.0	0	0.4	1	-7.3	-2	-2.4	-1	-6.9	-1
4	-1.2	-1	-0.1	0	-1.6	0	0	0	-2.9	-1	-1.6	0

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