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NSC BRIEFING

9 March 1960

#### ITALY

- I. Premier Segni's resignation on 24 February precipitated what may be the most important political crisis in post-war Italy.
  - A. For the seventh time since 1953 the Christian Democrats must look to other parties for a parliamentary majority, and protracted negotiations are in prospect.
- II. Segni's all-Christian Democratic cabinet had depended on the three rightist parties--Liberals, monarchists, and neo-Fascists.
  - A. The Liberals withdrew support on 21 February rather than support a government which appeared to be moving toward a rapprochement with the Nenni Socialists.
  - B. Segni did not want Christian Democrats to face the spring nationwide local elections while dependent on the two parties of the extreme right.
- III. Christian Democratic leaders have indicated privately to embassy officials that they are working up to formation of a center-left government with the Democratic Socialists and Republicans, dependent on Nenni Socialist parliamentary abstention for a working majority.
  - A. They believe that formation of the old pre-Segni quadripartite with Social Democrats, Republicans, and Liberals is blocked by Democratic Socialist leader Saragat's refusal to join a government with the Liberals.

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- B. The Christian Democratic left wing (including President Gronchi), the Democratic Socialists, and the Republicans, favor such a center-left government because they believe it would give a stable majority.
- C. The Nenni Socialists have announced that they will support a government disassociated from the Right.
  - 1. Nenni, 69, is anxious for eventual cabinet post, which postwar association with Communists has little chance to give him.
  - 2. Revelations at CPSU's 20th party congress, and Hungarian uprising sharpened his split with PCI.
  - 3. While Nenni's group in PSI has control of party machinery; the party's funds still come largely from municipal governments, cooperatives etc., where PSI participates jointly with Communists.
  - 4. His public announcements of unwillingness to take "anti-Communist" line probably meant to allay fears of electoral supporters that a move too far to right would endanger workers' unity.
- D. The Communists fear isolation. They have announced their support for such a center-left government in hopes of killing a rapprochement between Nenni and the Christian Democrats.
- IV. The Christian Democratic right wing may prefer to torpedo a center-left government from within, as it did with Fanfani, rather than take the dangerous step of splitting the party to prevent it.