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Italy: Prospects for Bettino Craxi's Socialists

An Intelligence Memorandum

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Summary

Italian Socialist Chief Bettino Craxi, after nearly being ousted in January 1980, has managed to assert virtually unprecedented control over his party. Aided by a general perception in the country that the Communists were on the defensive, Craxi has moved the Socialists step by step from a position of tacit support for the first Cossiga government to what seems to be the pivotal role in Forlani's coalition. His achievements have been so impressive that Craxi seems to be dreaming of a Socialist-led federation of "lay" parties that could rival the Christian Democrats and Communists.

The apparent ease with which the Socialist leader has scored his victories, despite the formidable obstacles in his path, inevitably raises doubts about the durability of his success. The question of Craxi's ability to continue his winning ways has become central in light of growing evidence that Socialist support—without the backing of the Communists—may be insufficient for too unreliable to release Italy from the treadmill of unstable and ineffective governments. Craxi's accomplishments have been considerable, but his gains could evaporate as quickly as they appeared, confronting Italy once again with the difficult question of Communist participation in the national government.

This memorandum was written by	
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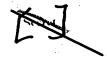
Putting Party Strategy Into Operation Craxi has long sought to make his party a pivotal factor in Italian politics. Since taking control at the party's congress in January 1978, however, his strategy has shifted, usually in response to challenges posed by the political situation. As party secretary, Craxi has moved the Socialists away from their historical role as a junior partner of the Communists—a relationship he blames for the gradual errs—n of the Socialists' constituency. He has focused increasingly on the oncept of "autonomy," constructing an independent Socialist Party—adistant from both the Christian Democrats and Communists and ultimately free to make or break governmental alliances with either of the larger parties

Unfortunately for Craxi's strategy, he began sounding this "declaration of independence" when relations between Christian Democrats and Communists were unusually good. The so-called "programmatic-parliamentary majority" of Prime Minister Andreotti effectively kept the Socialists on the margins of the political scene despite their new stance. So long as the two larger parties were willing to try to cooperate, the Socialists remained superfluous and Craxi's strategy remained ineffective

Autonomy Gains Momentum Political developments in 1979 apparently convinced Craxi that the time was right to try out his idea for "autonomy" in the larger political arena. When the Communists scuttled the Christian Democrat led Andreotti coalition in January, the Socialists emerged in the Christian Democrats' view as the only acceptable alternative for forming a new governing arrangement. Sharp Communist losses in the general election in June allowed Craxi to play the key role in ending the long government crisis by lending his party's tacit support to the minority Cossiga government in August. This move fell short of a formal alliance, but it immediately heightened the suspicions of the Socialist left wing—Craxi's ally in taking control of the party the previous year. The party's relationship to the new government seemed to this faction dangerously close to the discredited center-left experiments of the 1960s. The Socialist left—which prefers cooperation with the Communists—feared that Craxi's aim was to move the party toward a full-fledged alliance with the Christian Democra

A potentially explosive confrontation between the left wing and the Craxi wing of the party which threatened to unseat Craxi was narrowly averted at the central committee meeting in January 1980. A makeshift compromise called for the party to:





- Allow the Cossign government to collapse after the Christian Democratic Congress scheduled for February.
- Support an emergency government including the Communists.
- · Do all it could to avoid new elections

It became apparent that the deal was weighted in Craxi's favor when the Christian Democrats rejected a government partnership with the Communists. The Christian Democrats' rebuff of the Communists made Craxi's own reluctance to form an alliance with them more credible within his own party. Afterfpaying lipservice to the ideal of "leftist unity" and praising the Communists' "democratization," Craxi lamented that the process remained incomplete and thereby disqualified them from a governmental role. The Socialist chief then argued that only by joining the Christian Democrats in a coalitio could his party forestall early elections and avert continuing political chaos. The formation of the second Cossiga government was the first major victory for Craxi and his political strategy

Craxi the Master Tactician By assuming the mantle of "guarantor of Italy's governability," Craxi was looking ahead to the regional and administrative elections in June 1980. His gambit bore fruit; the Socialists registered unexpected gains, while the Christian Democrats and Communists barely held their ground. The election results further undercut Craxi's pro-leftist opponents within the party and convinced him to move quickly on both the local and national levels. He maneuvered to improve the Socialists' alliances with both the Communists and Christian Democrats in local governments. Relations with the Christian Democrats in Rome, however, were the key to Craxi's strategy, and he bent his efforts toward convincing them that the Socialists were loyal and responsible allies. He hoped not only to broaden his parta's moverning responsibilities, but perhaps even to lead the governmen

Craxi apparently underestimated his opponents inside and outside his party. Dissatisfied leftwing Socialists and the leftwing Christian Democrats—those favoring greater cooperation with the Communists—pooled resources to prove that even with Craxi's party formally supporting the government, the continued exclusion of the Communists left the coalition only slightly more effective than its predecessors. In a rapid fire series of parliamentary challenges to the Cossiga government, these dissidents deserted the majority ranks under the cover of the secret vote and ultimately forced the Prime Minister to resign

Craxi, faced with the prospect of losing what power he had gained, counterattacked. He:





Stacked the party's Directorate with his supporters.

 Ensured a more influential Socialist voice in a new government by concluding an agreement with the Social Democrats to coordinate party policies and by lining up support for that party's entry into a restructured coalition.

Sought the facit support of the Radicals, one of the most vocal components of Christian Democrat Socialist rule, for a new government

Nonetheless, Craxi realized that the Christian Democrats would not surrender their preeminent political status easily. He also was faced with new evidence that the Christian Democrats were toying with the idea of reviving their dialogue with the Communists perhaps as a lever to thwart Socialist ambitions. Awareness of this probably played an important part in shaping Craxi's own attitude toward the Forlani government that emerged. In retrospect it seems that from the beginning Craxi viewed his commitment to the Christian Democrats as only a way to bus time for the Socialists to prepare for an early parliamentary election

Biding His Time Until Spring

Craxi does not believe the Socialists are yet ready to pull off anotherelectoral upset, and he continues to try to carve out an electoral identity for his party that is increasingly independent of both the Christian Democrats and Communists. He obviously intends to highlight the Socialists' "lay, libertarian character" by fastening on issues likely to siphon votes from the other parties. For instance, Craxi has sought to:

Woo worker support from the Communists by exploiting what he perceives

as a new, moderate trend in the union movement.

 Rally the considerable anticlerical and secular sentiment in Italy, usually shared with the Communists and smaller lay parties, by disputing the Pope's antiabortion statements.

 Argue that 35 years of Christian Democratic rule has bred corruption and incompetence, using as an example the alleged Christian Democratic involvement in the scandals and mistakes in last fall's earthquake relief

 Capitalize on the kidnaping of a magistrate last December to reignite the long-running controversy over the policy of the Christian Democrats and Communists to refuse to negotiate terrorist demands, even to save a victim's life

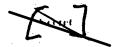
Largely as a result, the Forlani government has undergone more than its share of parliamentary tests. In each case, the Communists have been the first to point out that Socialist support has managed to keep the government affoat but done little to help it tackle Italy's persistent economic, social, and political problems.



Craxi is taking a gadfly approach to politics, seeking to imitate the Radical Party's success in promoting causes generally ignored by the political establishment but popular with the man in the street. The Socialist chief probably will continue these tactics at least until after the Socialist Party congress—scheduled for April—which is expected to sanction his policies, and may grant him a mandate to demand the prime ministry. He may also decide to wait and see what impact his tactics have on the party's performance in six referendums and scattered local elections slated for May and June before deciding whether to seek Forlani's downfall

While Craxi bides his time on the domestic front, foreign policy probably will play an important role in his efforts to set the stage for his next major. move. Socialist attitudes on international questions in the past two years have been shaped to advance the party's quest for power. Craxi's support for the invernment's decision in December 1979 to participate in NATO's theater nuclear force modernization program was meant as a clear signal to the Christian Democrats-and to the United States as well - that the Socialists would be a responsible governing partner. Since then, the Socialists have agreed in the same spirit to impose sanctions on Iran and to take economic measures against the Soviet Union. Most recently, Craxi's party was particularly vocal in publicizing the view--articulated independently by Italy's Socialist president—that political terrorism is an international phenomenon backed by Moscow and its allies Craxi still seems concerned. however, about how his leftist party is perceived by the new US administration. Italian domestic politics aside. Craxi appears to believe Washington's imprimatur is vital to his quest for the prime ministry. It is likely, therefore, that the Socialist chief will try to arrange a visit to the United States within the next several months to argue his party's case

Can Craxi Pull It Off? Much of Craxi's success this past year can be attributed to good fortune. He has benefited from a coincidence of events highlighting his party's "indispensability" as the only alternative to the Communists in a governing coalition with the Christian Democrats. In this heady atmosphere, Craxi has moved from a proven method of operation to a higher risk tactic. The secret of his past successes has been his ability to produce tangible results—greater governmental responsibilities and influence for himself and for his party. Craxi's current contentiousness, however, may make it more difficult for him to hold on to gains already achieved. All now seems to be riding on the possibility of a Socialist election victory. Ironically, any sign from the party that it wants early elections would tend to undermine the formula that proved so effective last June—the Socialists as the "guarantors of Italy's governability." Craxi's current efforts to build popular support for his party by hammering away at a variety of controversial issues run the risk of





evoking in the public mind the image of the Socialists as the party of crisis a development that could cause Craxi's electoral aspirations to boomerang.

In addition, Craxi's claim to undisputed control of his party already seems tenuous and may weaken further if his election gambit backfires. For example, Craxi's survival during last January's Central Committee meeting was the result of the bandwagon phenomenon, with some leftists providing Craxi the balance of power. Such sentiment could dissipate rapidly if he begins to stumble. The preemptive move last fall against his opponents in the Directorate undeniably has weakened and disorganized the Socialist left wing further. It has, however, also created a considerable reservoir of resentment within that group, increasing its determination to strike at Craxi the instant he appears vulnerable

Craxi's dominance over the party's highest levels does not seem to extend to the local rank and file. After the June administrative elections he wanted to form center-left coalitions at the regional level, but has not been successful. Only in Liguria has the national party been able to persuade the local Socialists to abandon alliances with the Communists in favor of coalitions with the lay parties that are supported by the Christian Democrats

The value of Craxi's opening to other lay and socialist parties also may be more apparent than real. For instance, the agreement with the Social Democrats seems to be strictly a short-term tactical move by both parties. Craxi had been adamant in opposing the inclusion of the Social Democrats in the government—particularly before the June 1979 elections in which the two parties competed for votes. To save face after the Cossiga government's resignation—and to create at least the impression that he had emerged from the affair even more powerful—Craxi later was willing to welcome the Social Democrats into the government so long as they were perceived as his clients. From the Social Democratic point of view, an agreement in principle to coordinate their policies with Craxi seemed a small price to pay to regain a share of governmental power. It is virtually certain that the two parties once again will be at each others' throats in the event of another election

Finally, the difficulties surrounding Craxi's approach to the Radicals are symptomatic of the problems inherent in constructing a non-Communist, non-Catholic political alternative. In seeking to attract Radical support for his plan by adopting their tactic and promoting their favorite issues, Craxi risks both undermining his efforts to keep the various Socialist factions in line and alienating future backers among the other lay parties. Neither result would be likely to reassure the Christian Democrats about Craxi's ability to deliver votes. Either would deal a severe blow to hopes for a





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