

June 28, 1962 6

The following is a summary of views expressed today by Giovanni Pieraccini, a leader of Pietro Nenni's Autonomist faction of the Italian Socialist Party (PSI), a member of the PSI Directorate, editor of the party's official Rome daily, Avanti!, and member of the Chamber of Deputies. Pieraccini met with a small group of people in the offices of INR/RSU and then he and I had lunch together. Our talk ranged widely, but the following notes are limited to three subjects that may be of some interest to others in the Department: Pieraccini's views on international affairs; his assessment of the Italian domestic situation; and his comments on the financial needs of the PSI, which amounted to a thinly-veiled request for U.S. aid.

International affairs

PSI foreign policy. In his scattered references to Socialist views on foreign policy matters, Pieraccini stayed close to the party's official positions. He repeated that the PSI does not (and had not since 1955) called for Italian withdrawal from NATO. Most Socialists "realize that the present system of military blocs creates an equilibrium" but the situation is "dangerous" and continuing military competition will "inevitably lead to war." He strongly attacked the Soviet resumption of nuclear testing, but also criticized U.S. testing as "politically unwise." In the long run, only disarmament will make the world safe from nuclear war, but this is "only a hope" so far, in view of the difficulties inherent in disarmament. In the meantime, the Socialists believe that the rise of a "Third World" of unaligned nations will help to modify the present world equilibrium in a favorable way. Pieraccini also hopes for changes in the international position of Europe. The Socialists believe that some kind of neutralization of Central Europe is desirable, among other reasons because it is "the only way" in which Germany can be re-unified. He does not see how one can talk of an "integrated Atlantic Community" in any "real" sense. However, an integrated Europe "by its nature" would find itself closer to the United States rather than to the Soviet Union. The Socialists favor the inclusion not only of the United Kingdom but also of the European neutrals in the EEC. They oppose the inclusion of Spain and (although he was less explicit about this) Portugal under their present regimes. The Socialists advocate the inclusion of Communist China in the United Nations, and in this, Pieraccini noted, they are supported by Giuseppe Saragat of the Italian Social Democratic Party (PSDI). The Socialists favor the inclusion of Communists in the advisory organs of the European Communities (but not their inclusion in the executive organs "of course"); the Communists' present exclusion is not only "undemocratic" but gives them a talking point in characterizing the Communities as essentially "capitalist" structures. Besides, the Communists could do no harm by "making a few speeches" in the advisory bodies or even

DECLASSIFIED
E.O. 13292, Sec. 3.5
NLJ/LIS 06-19
By cbm, NARA, Date 1-18-07

in the European Parliament ("which -- let us be frank -- is powerless anyway"), where they would be a tiny minority; their inclusion in such organs might even affect their views somewhat (to illustrate this point, he referred to the Italian General Confederation of Labor's (CGIL's) conflicts with the WFTU with regard to the Common Market).

Although the subject was not explored systematically, Pieraccini did not say anything that would lead me to qualify the analysis of Socialist foreign policy that I recently completed. Perhaps he would have been less "official" in his statements and more inclined to express his private views (however they may differ from the Autonomists' public positions) if this had not been our first meeting.

Pieraccini also talked at some length about the Algerian situation, and three of his points should perhaps be noted here, if only because of their implications regarding possible Algerian attitudes toward the U.S. (a) Pieraccini said the Algerian nationalist leaders were "instinctively" suspicious of the Western powers -- "understandably so" in view of their experiences -- and are inclined to be on the lookout for colonialism in "more subtle forms." (He said at one point that North Africans are attracted to Italians because they believe Italy has the technical skills and economic resources to help them but lacks the inclination and power to dominate them politically). (b) Pieraccini said that he had recently talked with Ben Khedda and that Ben Khedda referred to "and resented" U.S. "contacts" and American "observers" with the OAS. (c) Pieraccini also said that some Algerian leaders were once afraid that the OAS might succeed in creating a European enclave around Oran, "force" the Algerians to seek help "from the East," and then transform Algeria into "another Korea," with the ~~Western~~ (including the United States) helping the "fascists" of the OAS and the Soviet Union helping the Algerian nationalists.

The Italian domestic situation

The center-left government. Pieraccini talked at considerable length about the center-left government. He said that the nationalization of the electric power industry is the only nationalization that will be demanded by the Socialists during the course of the next Parliament (normally, 1963-68). But there are many major problems on which the Socialists will demand government action. Among these he discussed: renovation of the educational system (facilities, personnel, curriculums); reforms of the government structure (creation of regional governments, increase of communal autonomy); reform of the taxation system; reform of the judiciary, which he termed, with convincing illustrations, one of the most "shameful" aspects of Italian society; reform of the bureaucracy; urban and regional planning and development; reform of Italian agricultural system in its technical and social aspects (for example, abolition of the mezzadria, or share-cropper system common in much of central Italy).

The Christian Democrats. Pieraccini did not venture to say how successful the Socialists might be in pushing for such measures. He did say repeatedly, however, that the "greatest danger" to the center-left government and "therefore" to a progressive and democratic government in Italy is the situation with the Christian Democratic party (DC). The danger is created mainly by internal DC conflicts between more progressive and more conservative elements. However, Pieraccini said that many politicians (especially the group around Aldo Moro, the DC Secretary) are neither "ideologically" nor "programmatically" oriented but simply "power" oriented and are inclined to go along with whatever government and program will best keep them in power. Because of this, the Moro faction is no real danger to the center-left unless it can be won over to the policy of the much smaller right wing of the party which is closely tied to powerful conservative interest groups -- but this was always a possible development.

Among the factors Pieraccini noted as pushing DC toward some kind of collaboration with the Socialists were the following: (a) the new Pope, who is both less inclined to "interfere" in political matters and more inclined to "encourage a move to the left" than his predecessor; (b) the electoral and parliamentary position of the DC, which has "forced" it to make a choice between a move to the right and a move to the left; (c) the pressures of the rank-and-file party members and the Catholic voters, who, could be "manipulated" for "conservative" purposes so long as the Socialists were allied to the Communist party (PCI) but no longer fear the PCI as they once did. The pressures pushing the DC to the right are (a) the personal authoritarian inclination "of a good part" of the DC leaders; (b) the "integralist" tradition of political Catholicism in Italy; (c) the powerful conservative pressure groups, which have used the DC as an instrument to defend their particular interests and are unlikely to "suffer passively" the reforms that a center-left government would propose when these touch their vested interests.

The position of the PSI. The Socialist Autonomists were in a difficult position at the time of the party's 1961 congress because their policy of reaching some agreement with the Christian Democrats seemed to be getting nowhere, and it was a "miracle" that the Autonomists were able to hold on to their majority position. At present, the Autonomists are far stronger than they were even six months ago and -- barring any major setback to the center-left government -- should "substantially increase" their majority at the national congress scheduled for late this year (probably before the Communist congress, now set for December). The center-left governments at the local and at the national level have been successful enough, so far, to embarrass the internal opposition to the Autonomists. Lelio Basso's faction is weaker than ever -- as it "was bound to be" unless it could act as mediator between the extreme factions, which it cannot do because of the autonomists' absolute majority. The extreme left faction is both embarrassed and divided; a certain number of its leaders -- mainly intellectuals of an extremely doctrinaire bent -- are

hostile to the center-left and find themselves in polemics even with the Communists, who ("for tactical reasons") have judged the new government somewhat less harshly than they; another and larger group -- mainly led by Tullio Vecchiatti and Dario Valori -- are "more possibilistic" and could become supporters of the center-left.

We discussed relations between the Socialists and Democratic Socialists at some length. According to Pieraccini, the fusion of the PSI and PSDI is a desirable and probably inevitable long-range objective, but the Socialists and Democratic Socialists will not repeat "the mistake of 1956" (Pieraccini here alluded to the abortive effort to reunify the PSI and PSDI made by party leaders Nenni and Saragat after a meeting in Pralognan, France). Since the Socialist split in 1967, the two parties have developed different ideological and political traditions, different organizational structures (and vested interests in them), substantially different electorates, and a habit of some hostility toward each other. Their reunification therefore cannot be brought about by the kind of top-level negotiations tried in 1956 but must be the result of a slow process of collaboration "at the base," among party supporters, as well as at the top political level.

Pieraccini is no longer concerned about the PSI's capacity to assert its independence from the PCI, except in the Emilia area, where the PCI is so well entrenched that the Communists dominate the social, economic and political environment and make it difficult for the Autonomists to assert themselves. In other parts of the country, with some local exceptions of relatively little importance, the Socialists are quite free to develop their own policies -- whether Autonomist or Leftists -- without much concern for the "psychological" and "material" pressures that the Communists can still exert in Emilia.

The Communists. The Communists are seriously embarrassed by the center-left, as indicated by their wavering official positions toward it (at first disapproval, then ambiguous support for its program), and by their internal divisions. The center-left government comes at a very bad moment for the Communists, because they are undergoing an internal crisis provoked by a number of developments, including those in the international Communist movement. The PCI situation is therefore very complicated. Pieraccini does not believe in an "immediate" disintegration of the PCI, but he feels that in the next five to ten years the PCI will be either transformed or seriously weakened. If the center-left is "successful," he feels there is a definite possibility of a split in the PCI. He mentioned a number of prominent Communists (including the former mayor of Florence, Mario Fabiani), who in his view "are no longer Communists in the traditional sense" and believes that it is only a matter of time before the situation becomes "unbearable" for a number of leading Communists in the middle ranks of PCI leadership. He noted that the PSI had already absorbed a major portion of the leading intellectuals who once supported the PCI.

PSI need for financial aid

Although he emphasized the autonomy of the PSI from the Communists (except in the Emilia area, as noted above), Pieraccini at first hinted and then stated openly that the PSI suffers in competition with the Communists because of its financial disabilities. He very strongly hinted that U.S. financial aid would be welcome. The purposes for which he said additional financial resources could be put to use were mainly three: (a) to strengthen the Socialist press, especially the party daily Avanti!; (b) to help the Socialists within the CGIL to organize and assert themselves even more strongly than they do at present; and (c) to build or rent separate Socialist party headquarters and other centers in places (mainly in Emilia) where the PSI now shares facilities with Communist party organizations.