

# CIA Covert Aid to Italy Averaged \$5 Million Annually From Late 1940s to Early 1960s, Study Finds

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Region: <u>Europe</u>
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Washington, D.C. February 7, 2017 - CIA covert aid to Italy continued well after the agency's involvement in the 1948 elections - into the early 1960s - averaging around \$5 million a year, according to a draft Defense Department historical study published today for the first time by the National Security Archive at The George Washington University.

The study, declassified in 2016, focuses on the role of Clare Boothe Luce as ambassador to Italy, 1953-1957. In addition to overseeing a program of covert financial support to centrist Italian governments, she used the awarding of contracts under the Department of Defense Offshore Procurement Program to weaken the Italian Communist Party's hold on labor unions. The author concludes that the Eisenhower administration, faced with the possibility of civil war in Italy or the Communist Party coming to power legally, was "willing to intervene militarily only if the Communists seized power forcibly and then only in concert with other European nations."

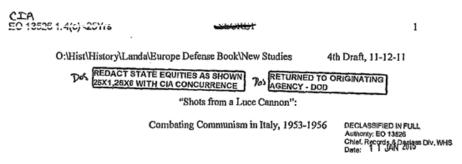


Clare Boothe Luce, U.S. envoy to Italy from 1953-1956, was as famous for her glamour and blunt speaking as for the distinction of being the first woman to represent the U.S. in a major diplomatic post. (Undated photo from the Carl Van Vechten collection, Library of Congress)

Today's posted document was written by Dr. Ronald D. Landa, formerly with the State

Department's Office of the Historian and the Historical Office of the Office of the Secretary of Defense. It is one of three drafts he prepared for the latter office that were intended as chapters in a monograph on United States policy toward Europe during the Eisenhower administration. Landa finished the drafts in 2011 and early 2012. Declassification review took another 3-4 years. Budgetary limitations prevented completion and publication of the book.

Click on the images to read the documents.



Beginning with the April 1948 Italian national election campaign, the United

States invested large sums in economic aid and military assistance, along with substantial

covert funds, to reduce the power of the Communist Party, the largest in Europe outside
the Soviet bloc, and strengthen the governing Center coalition led by the Christian

Democrats (DC) and Prime Minister Alcide De Gasperi.\* (U)

The first series of policy papers the National Security Council (NSC) produced after its creation in 1947 dealt with the possibility of the Communists winning the 1948 election or staging an insurrection to seize power. A successor series (NSC 67) updating policy in 1950-51, in effect until the second year of the Eisenhower administration, was unusual in that its focus—the Communist threat—was narrower than most NSC papers covering a single country. The focus derived from the importance accorded the country's strategic position. If the Soviet Union gained control of Italy, it "could dominate the Western Mediterranean and could apply substantial military power against the Balkans and Western Burope." In 1951 President Truman established the Psychological Strategy

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First page of the Landa study on Italy.

<sup>\*</sup> The smaller coalition parties included the Republicans (PRI), Liberals (PLI), and Social Democrats (PSDI). In 1947 De Gasperi had ousted from his Cabinet the Communists (PCI) led by Palmiro Togliatii and the Socialists (PSI) under the leadership of Pietro Nenni. The Social Democrats, headed by Giuseppe Saragat, were Right-leaning Socialists who broke with the party and joined the Center electoral bloc that defeated a PCI-PSI bloc in the 1948 election. Small parties on the far Right not represented in the government included the Monarchists (PNM) and the neo-Fascist MSI. (U)

#### "Shots from a Luce Cannon":

#### Combating Communism in Italy, 1953-1956

### Working Bibliography

#### OFFICIAL RECORDS AND PERSONAL PAPERS

Dwight D. Eisenhower Library, Abilene, Kansas

Ann Whitman Files

John Foster Dulles Papers

Alfred Gruenther Papers

Psychological Strategy Board Central Files

University of Florida, Gainesville

Alden Hatch Papers

Library of Congress, Washington, DC

Clare Boothe Luce Papers

National Archives, College Park, Maryland

General Records of the Department of State (RG 59)

Central Decimal Files

Assistant Secretary of State for European Affairs Files (Entry 1274)

NIEs, SEs, and SNIEs (Entry 1373)

Records of Foreign Service Posts (RG 84)

Luce Embassy Records (Entry 2783)

CREST (Central Intelligence Agency Records Search Tool) Database

First page of the study's Working Bibliography.

This posting and two subsequent ones-on United States policy leading to the 1956 Hungarian Revolution and on its policy during the Hungarian Revolution-focus on issues with a military dimension not covered by volumes in the official series, *History of the Office of the Secretary of Defense*. They are of added interest given the author's access to classified U.S. records, although readers will notice that certain information has been redacted by U.S. Government reviewers. Dr. Landa also researched a variety of open materials, including the Central Intelligence Agency's CREST database, the *Declassified Documents Reference System*, the *Digital National Security Archive*, and British records at The National Archives in London.

The National Security Archive is grateful to Dr. Landa for making these draft studies available so they could become part of the ongoing scholarly exploration of the U.S. role in Europe during a critical phase of the Cold War.

# **READ THE DOCUMENTS**



## Document 1

"Shots from a Luce Cannon": Combating Communism in Italy, 1953-1956 Source: Historical Office, Office of the Secretary of Defense Draft historical study by Dr. Ronald D. Landa of U.S. policy toward Italy from 1953-1956



## Document 2

Working Bibliography for "Shots from a Luce Cannon" Source: Historical Office, Office of the Secretary of Defense

Draft bibliography attached to Dr. Ronald D. Landa study on U.S. policy toward Italy from 1953-1956

## Author's Note

My work as a historian at the State Department (1973-1987) and in the Office of the Secretary of Defense (1987-2012) made me aware that U.S. efforts in the years after World War II to reduce the power of the Italian communist party, as well as other aspects of U.S. policy, were not adequately treated in the Foreign Relations of the United States volumes and other publications. I therefore tried to broaden the range of material researched, primarily by utilizing CIA records and by closely examining Clare Boothe Luce's extensive personal collection at the Library of Congress and records at the National Archives from her tenure as ambassador.

A correction is needed on page 2. Luce was the second, not the first, female member of the House Armed Services Committee. On page 53, I left open the question of whether her claim of suffering from lead poisoning was genuine or a hoax. The second volume of Sylvia Jukes Morris' biography, Price of Fame (2014), argues persuasively that it was genuine.

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