Clare Boothe Luce and the 1953--1954 Trieste crisis

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CLARE BOO THE LUCE AND THE 1953-1954

TRIESTE CRISIS

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ABSTRACT

Clare Boothe Luce and the 1953-1954 Trieste crisis

By

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My paper argues that Clare Boothe Luce, American ambassador to Italy, greatly influenced the Trieste crisis and negotiations of 1953-1954. Luce’s understanding of the Cold War in terms of aggressive anti-Communism against the Soviet Union in general and against Yugoslavia in particular, determined her actions during the Trieste negotiations. As a very powerful woman in the Eisenhower administration, Luce managed to make her voice heard on the highest levels and to direct the settlement in ways she thought best for the United States and its ally Italy. Although forceful reports she sent to the State Department and the major policymakers often exaggerated the danger of communism in Italy, they helped spur action in Washington. At the end, according to sympathetic contemporaries, Luce deserved credit for solving the Trieste dispute, which helped contain communism in Italy.
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CHAPTER 1

INTRODUCTION

At the close of the Second World War, there was a serious possibility that the Adriatic territory of Trieste would become the setting for the first armed postwar conflict between East and West. Yugoslav and Anglo-American troops liberated the city almost simultaneously and both sides claimed it. After avoiding an armed clash with the Allies and calming tensions, the Yugoslavs agreed in late May to accept temporary Anglo-American military administration of the city until a peace treaty could be signed with Italy. For almost a decade thereafter, Trieste was a problem between East and West in the Cold War. The city remained under joint British and American military governance, while a larger zone south and west of the city was under Yugoslav military administration. The Allied peace treaty with Italy in 1947 included provisions to divide the two zones into an internationalized Free Territory of Trieste (FTT). However, the Cold War discord among the great powers prevented implementation of the scheme and as a result, Trieste remained under Allied administration until 1954, when Italy and Yugoslavia partitioned the disputed territory.¹

The Trieste crisis and the negotiations that followed represent an important chapter in the reshaping of Europe after World War II. In the few existing accounts of the crisis,

little attention has been afforded to the role of the American ambassador in Rome, Clare Boothe Luce, in the Trieste crisis. My research establishes the importance of Luce in the policymaking process. I have organized my paper into five chapters. Chapter 1 provides a brief historical survey of the disputed region. Since, the Trieste problem cannot be explained solely in Cold War terms, the geohistorical, ethnic, social, ideological and economic background also must be examined. This analysis will demonstrate why, for almost two hundred years, the Italo-Yugoslav frontier problem represented one of the classic territorial disputes in European history. Chapter 2 surveys the most important scholarly works in this field. The third chapter examines Clare Luce's career and ideology of anti-communism. I have argued that she was a Cold Warrior and her understanding of the American-Soviet relations in general, and Italo-Yugoslav relations in particular, determined her actions during the negotiations. Chapters 4 and 5 focus on the crisis and negotiations of 1953-1954 and emphasize the importance of Luce's role in these events. Although Llewellyn Thompson, Geoffrey Harrison, Vladimir Velebit, and Manlio Brosio directly participated in the negotiations as representatives of their governments, they were not the only ones who influenced the process. Sources reveal that Luce's understanding of the Cold War in terms of aggressive anti-Communism greatly influenced the negotiations. As a very powerful woman in the Eisenhower administration, Luce managed to make her voice heard on the highest levels and to direct the settlement in ways she thought best for the United States and its ally Italy.

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3 Rabel, ix, xii.
CHAPTER 2

THE BACKGROUND OF THE TRIESTE DISPUTE

The "Julian March," or Venezia Giulia, is a territory comprised of the Kanal Valley, parts of Carniola, Trieste, Istria, and Rijeka at the head of the Adriatic Sea. It was bitterly disputed by Italy and Yugoslavia from the time of World War I, when each sought to gain it from the ruins of the Austro-Hungarian Empire. The conflict and the depth of feeling on both sides did not date from 1918, but from centuries before and were rooted in the differences between the Italians, heirs of the Roman and Venetian traditions, and the South Slavs, who had peopled the hinterland and pushed down to the sea. For centuries, the Italians and Slavs of the Julian region lived side by side in peace, while the

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1 The Italians call this region Venezia Giulia, as it has been an eastward extension of the region once comprising the Republic of Venice (Venezia). The Slavs call it Juljska Krajna, or the Julian "March," a "land of passage" between two regions of greater wealth. Leonard Unger and Kristina Segulja, The Trieste Negotiations (Washington, D. C.: The John Hopkins Foreign Policy Institute, 1990), 1. Both terms, Venezia Giulia and the Julian March, exclude the Dalmatian city of Zadar (Zara) and the Dalmatian islands that went to Italy in 1920 by the Rapallo Treaty. Venezia Giulia did include the city of Rijeka (Fiume), which went to Italy in 1924, while Julian March includes Venetian Slovenia, which became a part of Italy in 1866. The principal difference between the two terms was that Venezia Giulia included Rijeka but excluded Venetian Slovenia, the Julian March excluded Rijeka and included Venetian Slovenia. The Julian Region linked the Italian plain of the Po Valley with the Danubian basin. Several low passes between Alpine crests in the north and the start of the Dinaric range along the Adriatic in Yugoslavia constitute a natural gateway of the great strategic value: whoever held these passes controlled the entrance into both the Po and Danubian basins. This is the reason why both Italy and Austria fought for the Julian Region in the latter part of the nineteenth century, and later Italy and Yugoslavia took up the struggle. Bogdan C. Novak, Trieste, 1941-1954: The Ethnic, Political and Ideological Struggle (Chicago: University of Chicago Press, 1970), 3-4, 6.
great powers were seeking to acquire dominance over the area.\(^2\) The nineteenth century, however, witnessed a rise in nationalism and ethnic consciousness that transformed the territory into a symbol of national importance and pride and the focus of conflicting territorial claims. Within the ethnic mosaic of the Julian region, factors relating to job opportunities, social status and mobility, and political influence made neat and tidy national boundaries difficult to draw and rarely satisfactory to anyone. As ethnicity became politicized, modern nation states emerged and the territorial problems began.\(^3\)

The peace settlement following World War I in this area was determined neither by ethnic factors nor by economics, but by politics. Italy had more political muscle behind its claims than did Yugoslavia, despite President Woodrow Wilson’s efforts to get a better deal for the latter. The disputes between the great powers were about the frontier east of Trieste and about the mostly Slavic city of Fiume (Rijeka). Italy not only

\(^2\) After the Slavs appeared on the southern European scene in the fifth century, they moved south and settled in the mountainous areas of the Istrian peninsula and along the Dalmatian coast. The Italians peopled the coastal farmlands, commercial and fishing towns, and often occupied the town centers or farmed the better lands of their nearby estates. The division between these two ethnic groups continued to exist during the centuries of increasingly centralized Austrian rule, as two Slavic ethnic groups, Slovenes and Croats, continued to inhabit the outlying areas of the Julian region while the Italian speaking descendants of the earlier Roman inhabitants continued to occupy the cities and coastal towns. Unger and Segulja, *The Trieste Negotiations*, 1-2.

\(^3\) Campbell, *Successful Negotiation*, 4. In the nineteenth century, the Dual Monarchy faced the conflicting national aspirations of its heterogeneous population. Italian nationalistic ideals were born of the Risorgimento movement; the Yugoslav identity was also created and usually described in terms of “Slovene” or “Croat.” Seeking independence from Austro-Hungarian rule for their territories, Italians and Slavs were bound to collide, since both groups claimed the entire Julian region. Austria used the strategy of “divide and conquer” and encouraged every attack by Slavs on Italian claims to the Julian region and vice versa. Some historians argue that the Italian-Slovene conflict never existed until Austria pitted the two nationalities against one another for its own political purposes. Unger and Segulja, *The Trieste Negotiations*, 4.
demanded the cession of territories identified in the 1915 Treaty of London, but also claimed its rights to Fiume, which contradicted Wilson’s principle of “self-determination” of peoples. The irregular pattern of ethnic distribution made it impossible to clearly delineate an Italo-Yugoslav frontier. Nevertheless, Italy was favored in the disputes and acquired a large area of ethnically Yugoslav territory. In 1919, Italy violated the treaty by seizing Fiume, and this incident entered the memory of Slavs as an evidence of Italian aggression. Yugoslavia signed treaties that fixed a frontier (the Rapallo line defined an Italo-Yugoslav border in 1920), but this solved the problem only in a legal sense. It remained a political problem because the Yugoslavs were not reconciled to the

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4 Unger and Segulja, *The Trieste Negotiations*, 6-7. The London agreement was signed on April 26, 1915, promising Italy almost all the Austrian territory except the city of Fiume (Rijeka) and parts of Dalmatia. Besides the South Tyrol and the county of Gorizia-Gradisca, Italy would receive Trieste, Istria, and the parts of Caranthia, Carniola and Dalmatia. Novak, *Trieste, 1941-1954*, 24.

5 On September 19, 1919, Gabriele D’Annunzio, an Italian writer, descended by plane upon Rijeka, and seized and held the city. Although the great powers had awarded the infant state of Yugoslavia this territory and port, it was powerless to prevent this de facto annexation. Control of Rijeka remained in question during the interwar years, although the Rapallo line defined an Italo-Yugoslav border. Unger and Segulja, *The Trieste Negotiations*, 6. Gabriele D’Annunzio refused an order of the Italian government to evacuate Rijeka and his volunteers started an incident by attacking French occupation soldiers. His army was organized from young Irredentists, nationalistic army veterans with the tacit support of some members of high Italian military circles. A year after he occupied Rijeka, D’Annunzio took the nearby islands and proclaimed the Italian Regency of Quarnero. Novak, *Trieste, 1941-1954*, 32-33.

6 Unger and Segulja, *The Trieste Negotiations*, 7-8. Under the Rapallo treaty Italy received the Kanal Valley (including the Tarvisio district) in the north. The border ran between the London line and the line of Italian occupation, leaving the entire Julian Region to Italy, while Dalmatia went to Yugoslavia, except the city of Zadar and a few islands. Two of the three main islands in the bay of Rijeka went to Italy. The city of Rijeka with a small surrounding territory was made into the state of Rijeka, whose independence was guaranteed by both Italy and Yugoslavia. This treaty failed to satisfy either Italian nationalists or Slovenes and Croats. Italian nationalists attacked Count Carlo Sforza, the Italian foreign minister, who signed the treaty for Italy, and charged him with forfeiting Dalmatia to Yugoslavia. The Yugoslavs particularly stressed that by the Rapallo treaty over a half million Slavs came under Italian rule without guarantee of any minority rights. Novak, *Trieste, 1941-1954*, 32.
settlement, and Mussolini’s persecution and denationalization of the Yugoslav minority in Italy further poisoned relations. Mussolini’s totalitarian regime embarked on an expansionist foreign policy that sought to revise the peace treaties and place other areas in the Mediterranean and Balkans under Italian rule. Italy claimed the entire Dalmatian coast, including Trieste, Rijeka, Zadar, Split, and Dubrovnik in its “Mare Nostrum.” Fascism brought increasing ethnic violence between Italians and Slavs.⁷

During World War II, Italy annexed some parts of Yugoslavia, occupied others, and supported the fascist Ante Pavelic regime in Croatia.⁸ These events helped harden the determination of the Yugoslavs at the close of the war to reverse the territorial decisions of 1920-1924 and gain Trieste definitively. With the defeat of the Axis Powers and the emergence of Communism in postwar Europe, the fate of Trieste became linked to a broader East-West confrontation. By that time, Italy had become a “co-belligerent” and had established good relations with the Western powers, who identified the Communists with the victorious Partisan forces. In Yugoslavia, Josip Broz Tito led the Partisan movement that professed national liberation in an antifascist guerrilla war. Tito decided to occupy the Julian region with Trieste in reaction to a crescendo of Italian propaganda demanding the retention of the entire Julian region that coupled with allied plans to

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⁷ Unger and Segulja, The Trieste Negotiations, 7.
⁸ Campbell, Successful Negotiation, 6. The Italian sphere included the whole Adriatic hinterland, namely Southern Slovenia, Southern Croatia, Dalmatia, Bosnia-Herzegovina, Montenegro, and Albania. The Italians allowed the Croats to form an independent state, and granted Montenegro’s independence, but under Italian occupation. Novak, Trieste, 1941-1954, 46.
occupy Trieste. Tito's troops reached Trieste on May 1, 1945, beginning the “forty days” of occupation.9

British Prime Minister Winston Churchill, asserting that “armies on the march would solve territorial disputes,” pressed for allied control of the city and the division of the surrounding area into zones of occupation. Therefore, on May 2, 1945, a New Zealand army division arrived in the hope of preventing a fait accompli, and US and British divisions soon joined it.10 The Americans and British issued an ultimatum to Tito ordering him to remove his forces from the city or face Allied intervention. Tito, facing increased Allied military and political pressure, withdrew his troops from the city and accepted a new division of the Julian region. A line separating the zones of Allied and Yugoslav occupation of former Italian territory was established. The Allies needed

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9 Unger and Segulja, *The Trieste Negotiations*, 7-8; Campbell, *Successful Negotiation*, 6; Paul D. Lensink, “Building Tito's Separate Road: Yugoslavia and the United States, 1949-1957” (Ph.D. diss., Indiana University, 1995), 124. Tito led the National Liberation Movement or Partisans who fought for a new communist order in a federative Yugoslav republic. In April 1945 Tito threw all available forces into the race for Trieste, while leaving in German hands sections of the Slovenian and Croat territory of Yugoslavia. He knew that the Allies gave Italy assurances that they intended to occupy the entire Julian region. Later, at diplomatic conferences on the future status of Trieste, the Yugoslav representatives always stressed that local Partisans with the help of the Yugoslav Fourth Army had occupied the Julian region and Trieste. Novak, *Trieste, 1941-1954*, 48, 156-157.

10 Lensink, “Building Tito's Separate Road,” 125; Great Britain was the nation most directly interested in the coming balance of power in the Mediterranean and Balkans, and hence was concerned about the future of Trieste. Until autumn 1944 the British and American policy was to occupy the entire Julian region and to postpone the final resolution until after the war. However, by fall 1944 the danger of an extension of communist power westward had become greater as the Soviet army rapidly advanced and liberated eastern Yugoslavia, where Tito established a communist government. Churchill perceived the danger and urged a landing of the British and American forces in Istria from where the Allied troops would push northward through the Ljubljana gap to Vienna. The United States rejected this proposal, but after the Yalta conference the United States agreed with Churchill and accepted the occupation of the Julian region. Novak, *Trieste, 1941-1954*, 129, 131.
Trieste as the essential supply point for their future zones of occupation in Austria, and to hold open the territorial settlement and to save a large Italian city from de facto annexation by Yugoslavia. The British and the Americans immediately established an Allied Military Government (AMG) to administer Trieste and its line of communications with Italy and, via Italy, with Austria—Zone A. A Yugoslav Military government administered the eastern and southern part of the Julian region and Istria’s northwestern corner—Zone B. The Yugoslavs were bitter and angry as they sensed finality in this “temporary“ decision, and the fashion in which they lost Trieste colored their attitude toward a negotiated settlement for years to come.  

At the end of the war in Europe the Council of Foreign Ministers of France, the United Kingdom, the United States, and the Soviet Union met in London to discuss the terms of the projected Italian peace treaty. Regarding such territorial issues as Trieste, their mission was to delineate a new Italo-Yugoslav boundary that would leave the fewest people under foreign rule and take into account pertinent economic considerations. A four-power commission was dispatched to Trieste and its environs in early 1946 to study the matter, but each participant proposed a different solution. The Four-power commission of experts reached no agreement on recommendations for the location of the frontier because their governments were concerned with bigger issues. Therefore, the Paris negotiations failed to yield an agreement on the Italo-Yugoslav boundary. Experts

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11Unger and Segulja, *The Trieste Negotiations*, 7-8; Campbell, *Successful Negotiation*, 6-7; Lensink, “Building Tito’s Separate Road,” 125.
proposed four separate lines, of which the "French line"\textsuperscript{12} was accepted. It created a Free Territory of Trieste (FTT) and unhappiness on both sides. Nevertheless, each side accepted the peace treaty because it avoided the worst. The parties opted for a compromise solution, embodied in a set of special clauses in the Italian peace treaty of 1947, rather than placing Trieste and surrounding region under Italian or Yugoslav rule: neither side would gain the territory nor an UN-appointed governor would administer the FTT. In this way Trieste became an international free city and port, a compromise required for resolving an impasse in the negotiation of the Italian peace treaty.\textsuperscript{13}

\textsuperscript{12} Novak, \textit{Trieste, 1941-1954}, 243, 246. The French proposal was generally along ethnic lines, because French negotiators were instructed to seek compromise and avoid East-West confrontations. In proposing an ethnic balance between Italians and Slavs that left the minimum number of people under alien rule, the French adhered to the commission’s central instructions. That was the reason why their proposal was in the end accepted. The Soviets proposed to give Yugoslavia the post and city of Trieste, a measure that would leave an estimated 417,000 Italians on the Yugoslav side of the border. The United States and Great Britain stressed economic and geographic considerations. The Americans favored Italy and their proposal would have left nearly 371,000 Yugoslavs on the Italian side of the border. This suggested returning Trieste to Italy but ceding much of eastern French middle line and the American line, farthest to the east. Unger and Segulja, \textit{The Trieste Negotiations}, 8-9.

\textsuperscript{13} The Italian Peace Treaty contained both permanent and provisional statutes of the FTT and special stipulations for the Free Port of Trieste. Its provisions divided the Julian region into three sectors:

- The Isonzo valley above Gorizia, the greater part of Istria, and the Karst plateau ceded to Yugoslavia;
- The lower Isonzo valley, including the towns of Gorizia and Malfalcone, was returned to Italy; and
- The remainder, compromising the city of Trieste and the environs and the coastal region from Duino in the north as far as Cittanova in Istria was to constitute a Free Territory of Trieste under a Governor to be appointed by the United Nations.

The Council of Foreign Ministers publicly announced its solution with the following stipulations: 1) a governor of the FTT would be appointed by the Security Council after previous consultations with Yugoslavia and Italy; 2) legislative and executive branches of the government would be established according to democratic principles and in particular through universal suffrage; 3) protection of the rights of citizens, especially the rights of man and his fundamental liberties, would be observed, as would rights regarding religion,
The propensity to solve territorial conflicts by partition became a trend in world affairs because of the developing Cold War. Although the territorial demarcation of the Italo-Yugoslav border in the Julian region was based in part on local ethnic and economic considerations, it was in the end a compromise to resolve an East-West confrontation in which Trieste had become a central issue. The internationalization of Trieste was a typical compromise on the part of the great powers. Giving Trieste to Italy would mean exclusive use by the Western bloc of this important northern Adriatic port, which Russia opposed. To assign Trieste to Yugoslavia would bring it under the domain or the Eastern bloc, to the dismay of the Western powers, especially the United States and Great Britain. Creation of an international territory would give both East and West a chance to use the port. Thus, out of the disputed city and its immediate surroundings emerged a no man’s land. Both Yugoslavia and Italy were unhappy with the treaty, but the Great powers decided that the peace treaty should go into force, regardless of Italian or Yugoslav language, press, instruction, and free access to public office. The decision of the Council assigned most of the Julian region to Yugoslavia, but the Kanal Valley and Venetian Slovenia, claimed by Yugoslavs remained in Italian hands. Italy retained the city of Gorizia, but almost the entire territory of Gorizia Province went to Yugoslavia. Italy also lost the Istrilian western coast and three larger cities: Pula, Rijeka and Zadar, all having an Italian majority. Unger and Segulja, *The Trieste Negotiations*, 8-11. Former Secretary of State James F. Byrnes stated on March 4, 1947 before the Senate Committee on Foreign Relations that the settlement involving Trieste “was the most controversial aspect of our long negotiations. When we agreed to the internationalization of this area we were determined that it should be genuinely international in character and that the Security Council of the United Nations, which was to assume the responsibility for the integrity and the security of the territory and the protection of human rights, must have adequate powers to discharge this responsibility. It is apparent that the Free Territory will present many serious problems, but it must be remembered that we were compelled to decide between the internationalization of this Territory or having no agreement at all. The Soviets were determined not to leave Trieste as part of Italy. United States, Great Britain, and France were equally determined that Trieste, with its large Italian population, should not be given to Yugoslavia.” *American Foreign Policy, 1950-1955, Basic Documents*, vol 1. (Washington, D. C.: U. S. Government Printing Office, 1957), 397-98.
signatures. The Yugoslavs remained unreconciled to the loss of Trieste and felt that the Russians, as well as the Western Allies, had betrayed them. The Italians found no reason to be grateful to anyone. Hence, both countries had good reason to claim that the four powers had imposed the peace treaty of 1947 on them.  

The peace treaty was difficult for Italy to accept. It curtailed Italian sovereignty by placing limitations on its armed forces, stripped the nation of all its colonies, and insulted Italian pride by making Trieste into a United Nations controlled FTT. Italy accepted the peace treaty, but considered it a diktat and began to work for revision before it was signed in February 1947. It believed that creation of the FTT was only a compromise to meet Yugoslav demands claiming the entire region. If Yugoslavia were seen as a Soviet ally opposed to the West, Italy hoped for Western support to achieve a revision of the peace treaty that would return the FTT to her.

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15 Novak, *Trieste, 1941-1954*, 278-279. Seldom had a document become outmoded in so short time as the treaty signed between Italy and the wartime Allies. The premises on which it rested were obsolete by the time the treaty was completed. Its territorial and economic clauses were based on the idea that Italy was a defeated enemy state, and on the concept of a Europe dominated by an understanding between the United States, Britain and France, on the one hand, and the Soviet Union, on the other. Hence, the terms of the treaty disappointed the Italian officials who hoped that their country’s record of co-belligerence after 1943 would erase the memory of Italy’s three years of aggressive war at the side of Nazi Germany. H. Stuart Hughes, *The United States and Italy* (New York: W. W. Norton & Company, Inc., 1965), 148-49. The peace treaty disarmed Italy: it had to demilitarize its French and Yugoslav borders, give up most of its navy, reduce its army to 250,000 soldiers and its air force to 25,000 men. Italy also renounced the possession of offensive weapons such as bombers. The treaty also provided for the reparations of 260 million dollars to be divided among Yugoslavia, Greece, Ethiopia, and Albania. In considering all aspects of the settlement, the peacemakers could rightly conclude that it was tough and reasonable, but that they had not treated Italy with undue harshness. In Italy, however, many members of the constituent assembly agreed with former Prime
Neither did Yugoslavia renounce its claims to all of the FTT. It regarded the latter’s creation as an imposed compromise in favor of Italy and believed that, since the Statute had become unworkable, its old claims would be revived and the whole territory would become part of a new Federal Republic of Yugoslavia. The Yugoslavs persistently claimed that while Yugoslavia sincerely desired to cooperate with Italy in the nomination of the governor, Italy rejected all proposed candidates. However, Yugoslavia refused to agree to any candidate suggested by Italy.¹⁶

Ultimately, a de facto partition of the FTT developed, and no power was willing to try to change this situation by force. By 1948, a “provisional” arrangement maintaining the Anglo-American military government in Zone A and the Yugoslav military government in Zone B of the Free Territory began to look permanent. The Soviet Union and the Western powers never agreed on a candidate for the governor of the ministrate because it did not suit the interests of either bloc that the FTT should actually be free. Therefore, the FTT never came into being as a functioning political entity. Dividing Europe into two separate economic, political and ideological systems, the FTT borders truly became an Iron Curtain. The line separating the Western and Eastern blocs, from Stettin to Trieste, ran directly through the FTT and became fatal to any hope of its independence. Thus the inability to establish a normal East-West economic relationship became a further obstacle

Minister Francesco S. Nitti that it was a “humiliating and odious dikat.” Alexander DeConde, Half Bitter, Half Sweet, An Excursion into Italian-American History (New York: Charles Scribner’s Sons, 1971), 285-287. The Treaty of Peace was always been difficult for Italy to accept. It infringed upon Italian sovereignty by placing limitations on its armed forces; insulted Italian pride by making Trieste into a UN controlled Free Territory, and stripped the nation of all its colonies. S. Timothy Smith, “From Disarmament to Rearmament: The United States and the Revision of the Italian Peace Treaty of 1947,” Diplomatic History 13 (Fall 1989): 359-382.¹⁶

¹⁶ Novak, Trieste, 1941-1954, 279.
preventing the formation of the FTT. This negative outcome symbolized the Cold War even at that early stage. It also provided further confirmation to Italy and Yugoslavia that the line between the two “temporary” Zones A and B of occupation and administration in the FTT was a segment of the line between two enormous aggregates of power over which they had no influence. Efforts toward a bilateral Italo-Yugoslav agreement also proved abortive.¹⁷

Shortly after the signing of the Italian peace treaty the United States introduced a new policy of support for “free peoples who are resisting attempted subjugation by armed minorities” that became to be known as the Truman Doctrine. It marked the beginning of the Cold War that determined a larger strategy of containment and committed the United States to countering Soviet expansion and to “containing” communism in Europe. It also signified a new departure in American foreign policy as it moved the United States into Britain’s old role in the Mediterranean. The introduction of the Marshall Plan in 1947 was a part of the American policy that helped integrate Western Europe into the US controlled economic and political alliance against the Soviets. In 1949 the United States signed a military alliance with the Western European countries, known as the North Atlantic Treaty Organization (NATO), to contain the Soviet Union in Europe. These new policies made Italy and the Mediterranean strategically more important than ever to the American military planners. Italy became a member of NATO and “one of the keys to

peace in Europe as a whole." Keeping the communists out of power in Italy became a principal objective of American policy toward that country in the postwar period. In the spring of 1948, the American, British and French governments, motivated by a desire to influence an Italian general election that they feared the Communists might win, announced the Tripartite Declaration and their support for a return of the entire Free Territory (including Yugoslav occupied Zone B) to Italy. The proposal helped the Christian Democrats to win a significant electoral victory, but in the long run it bound the hands of the Western powers and became an important obstacle to an agreement between Italy and Yugoslavia over Trieste. It was an empty gesture, because only force could deliver Zone B to Italy. It naturally disturbed the Western relations with Yugoslavia, but the Allies believed that Western relations with Yugoslavia were hopeless anyway. Hence, they thought that there was little to lose in such a move, and at the same time that there was a possibility of some short-term political benefit. Three months later, the Yugoslav-Cominform quarrel became public knowledge, and it was no longer in the Western interest to challenge and weaken the regime in Belgrade. Therefore, the Yugoslav-

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18 DeConde, *Half Bitter, Half Sweet*, 289-290. After the end of World War II, and particularly after the National Security Council issued its recommendations on Italy in NSC 1/1 in 1947, the United States considered Italy strategically important, both as a part of Europe and as a part of the Mediterranean world. Its importance was based on its position on the edge of the Soviet sphere and on the Western orientation of its government. Throughout the postwar period, the United States was concerned about the Italian Communist Party (PCI), the largest outside of the Soviet sphere. Washington feared that if the PCI were to gain control of the government, Italy would become a totalitarian Communist state like the nations of Eastern Europe and ally itself with the Soviet Union, which would shatter US hopes for the reconstruction of a stable Western Europe. A Communist dominated Italy would also provide the Soviets with the bases that "would pose a direct threat to the security of US communications through the Mediterranean to Greece, Turkey, and the Near East oil fields." When Italy became a member of NATO, military assistance to that nation became a necessity. From the beginning, Italy was placed in the top priority group according to the Joint Chiefs of Staff. Smith, "From Disarmament to Rearmament," 362.
Cominform split fundamentally changed the very basis of the Trieste problem, and the Allies quietly shelved the Tripartite Declaration of March 1948.¹⁹

Periodic local crises and abortive diplomatic initiatives characterized the following four years. Meanwhile, Cominform pressure and economic need gradually drove the Yugoslavs into a closer relationship with the United States and its allies. Toward the end of 1949 Tito received aid from the United States and Great Britain in the form of loans, gifts and credits, thus improving Yugoslavia’s economic situation and making her independent of Soviet pressures. The Western powers’ desire to keep Yugoslavia outside the Soviet bloc improved the Yugoslav international position and its stand on the Trieste dispute. In the meantime, the Italian government and pro-Italian forces in Zone A grew nervous, fearing that time and American fascination with Tito were working against any hope of eventual implementation of the 1948 declaration. Italy was not reconciled to the partition and continued to promote the Tripartite Proposal. However, Alcide De Gasperi, the Italian prime minister, realized that he could not gain all of the FTT and was prepared to cede Slovenian and Croatian villages along the Yugoslav border to Yugoslavia, if the major Italian centers went to Italy together with the Slovenian land along the Adriatic

¹⁹ D. Rusinow, “What Ever Happened to the Trieste Question,” 13-15; Unger and Segulja, The Trieste Negotiations, 12; Novak, The Trieste 1941-1954, 281-83; Rabel, Between East and West, 129-30. Two considerations made the eventual settlement of the Trieste dispute more likely. First, without help from Stalin, Tito had no hope of regaining the city of Trieste for Yugoslavia. Second, without Soviet military, political and financial support, Yugoslavia’s relations with the West became much more important. The country now had to turn to the West for much needed material and financial support, and the Western powers became sympathetic toward Yugoslavia as long as it stayed out of the Soviet orbit. Lensink, “Tito’s Separate Road,” 126. Eisenhower in his memoirs described new American approach toward the Trieste question: “Wanting to keep Tito split from the Soviet Union, the United States could no longer, as in 1948, back Italy to the hilt in its claim to everything.” Dwight D. Eisenhower, Mandate for Change, 1953-1956: The White House Years (Garden City, New York: Doubleday & Company, Inc., 1963), 412.
coast. For De Gasperi this was a maximum concession to the Yugoslavs, but one the Yugoslavs would never agree upon. Therefore, according to the Italians, if the Western powers wanted to reach a final solution, they would have to exert pressure solely on Yugoslavia.\(^{20}\)

After serious rioting by Italian irredentists broke out in Trieste on March 20, 1952, the Trieste issue again became inflamed. This renewed American and British concerns about maintaining a stable, pro-NATO government in Italy. Hence, the Italians were able to use the incident to exact concessions from the United States and Britain on the administration of Zone A. The talks between the Italian government and Allies led to the London agreement and the introduction into the zonal administration of an Italian “political adviser” to the military governor. Although the United States considered these changes mostly cosmetic, the actions did represent the first time that the authority of the AMG was diminished. This happened, as in 1948, on the eve of the Italian election and without consulting Belgrade. The Yugoslavs responded with a note of official protest, angry speeches and appropriate countermeasures in Zone B, against which the Italians, in turn, protested.\(^{21}\)

For both sides the Trieste dispute was very important in terms of domestic and foreign affairs. For all Italians, especially Italian Christian Democrats, the leading democratic pro-American party in Italy, Trieste was a symbol of national pride. Regaining Trieste would mean for Italy increased international significance, and domestic political stability. After World War II, the Christian Democratic prime minister De Gasperi, allied closely


with the United States and gained prestige as the upholder of Italian Trieste and as an astute statesman able to profit from the Italian-American alliance. However, as postwar conditions improved, many Italians began to question their dependence on the United States. They wondered if De Gasperi’s government had gone too far in adopting American suggestions for the country’s domestic and international improvement. Left-wing propaganda, often with distortion, exploited these doubts. Therefore, a firm position on the Trieste issue and the demand for the Tripartite proposal were the guarantees for internal stability. There was a possibility that a continuation of the status quo (Zone A under AMG administration, and Zone B under Yugoslav forces) and the lack of a Trieste solution might bring to power in Italy either the extreme right or pro-communist elements. Therefore, Italian diplomats exercised great diplomatic activity in Washington and London to solicit support for Italian claims and to put pressure on Yugoslavia to accept them.22

For the new Yugoslav communist regime, Trieste was also a symbol of national pride and national unity. After the Yugoslav break with the Soviet Union and the international isolation, the Yugoslavs began to improve their relations with the Western allies. The Trieste dispute was an important issue whose solution also depended upon Yugoslav actions. Increasing Yugoslav prestige during this time convinced Tito to stay firm in his maximum territorial demands. In that sense the Trieste dispute encouraged support for the Tito government from groups that were normally anti-Communist. Tito was able to use the Trieste dispute as a rallying point for the nation, appealing to memories of Italian attacks against Slovenes and Croats during the World Wars I and II. After the London

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agreement between Italy, the United States and Great Britain, Tito declared that he would not allow under any circumstances the question of Trieste to be decided without Yugoslavia. Therefore, the events in Trieste allowed Tito to make a show of standing up to the West and satisfying his conservative party members on an issue of foreign policy where the people of Yugoslavia as a whole were behind him. Tito had exploited the Trieste issue to strengthen his Communist regime. 23

In the two years following the London agreement, progress toward solving the Trieste dispute slowed. During the period between 1948 and 1953, the problem remained essentially non-negotiable. Zone A, which had by far the larger population because it included the city, remained under Anglo-American military governance, and a Yugoslav military government continued in Zone B. American officials feared that a forced solution would provoke a negative public reaction in both Italy and Yugoslavia. Because the Yugoslavs and Italians continued to press their maximum demands, all attempts to resume their bilateral talks failed. 24

While the Trieste controversy continued to boil, Tito gained a great foreign policy success by signing on February 28, 1953 a "Treaty of Friendship and Co-operation" with two NATO members, Greece and Turkey. The following month, Tito visited Great Britain. With the increase in their influence, the Yugoslavs understood that time worked for them in Trieste and remained satisfied with the status quo since they clearly could elicit aid from the West even without compromising on a settlement. In addition, because Yugoslavia occupied Zone B, the Yugoslavs knew they could not lose this territory in

23 Novak, Trieste, 1941-1954, 316, 353, 381; Lensink, "Tito's Separate Road," 130-131; Duncan, Tito's Yugoslavia, 89-90.
24 Campbell, Successful Negotiation, 10; Lensink, "Tito's Separate Road," 132; Rabel, Between East and West, 144.
any agreement. Yugoslavia, viewed as an essential link in the defense of Western Europe, continued to receive substantial economic and military aid from the United States. Obviously, when it came to Trieste, time was on the Yugoslav side.25

However, the political instability that soon followed in Italy pushed the Trieste dispute to the brink of open confrontation. The Italian parliamentary elections of June 1953 gave rise to a chain of events that contributed to a compromise solution to the Trieste problem acceptable to both Italy and Yugoslavia. After the October 8 decision, when the United States and Britain announced withdrawal of their troops from Zone A and the city of Trieste, tensions escalated between the Italians and Yugoslavs. But unable to proceed with the announcement, the United States and Great Britain began negotiations with Italy and Yugoslavia. One year later, after secret talks in London a final solution was reached. Yugoslavia gained virtually all of the Zone B and a sliver of Zone A and Italy acquired the city of Trieste and almost the entire remainder of Zone A. Both countries were able ultimately to agree on the solution permitting each country, with one minor border rectification, to annex its zone of the FTT. Thus, the final agreement, the Memorandum of Understanding of October 5, 1954, settled the Trieste impasse and served as a binding agreement for more than thirty years.26

CHAPTER 3

THE HISTORIOGRAPHY OF THE TRIESTE DISPUTE

Historians have studied many aspects of the Trieste problem, but there has been little scholarly analysis of its significance as an issue in postwar East/West relations. With the exception of the crisis of May 1945, Cold War scholars in the English-speaking world have not attempted to examine critically the extensive American and British documentary records now available concerning American policy toward Trieste. At the same time, much of the Italian and Yugoslav historiography has been narrowly nationalistic or ideologically polemical, and it has done little to illuminate Trieste's role in the Cold War.¹

Although most English-speaking historians studying postwar American foreign policy have alluded to the Trieste dispute, and some have even described it as the first example of the Cold War confrontations, there has been no detailed study about the precise role of the Trieste crisis in the origins of the Cold War. In the few brief treatments that exist, scholars have observed that the Trieste crisis was the first example of "the postwar confrontation between East and West." Denis Rusinow, Vojtech Mastny, and Roberto Rabel have generally agreed that the dispute over Trieste was "the first battle of

¹ Rabel, Between East and West, viii-ix.
the Cold War” and “an early step on the road to containment.”\(^2\) Lynn Davis, Hugh DeSantis, Gabriel Kolko, and Daniel Yergin have all noted that after May, 1945, the Trieste crisis made the United States more suspicious of the Soviet Union and paved the way for the future establishment of the Cold War blocs. They have asserted that after May, 1945, Tito’s arrogant attitude and Soviet backing of his claims left “a residue of bad feelings in the State Department.” The Trieste episode deeply colored the American view of Soviet intentions in Eastern Europe that saw Yugoslavia as a model of Soviet plans elsewhere. Washington decided to confront Yugoslav intentions to occupy the city of Trieste because “in resisting Tito one was resisting Stalin.”\(^3\)


\(^3\) Davis argued that the State Department reacted with increasing firmness to Tito’s actions, which made Tito to back down at the end of May 1945. She also stressed that the American officials were extremely irritated by Tito’s arrogant attitude and Soviet backing of Tito, and “became increasingly unsympathetic to the Yugoslav government and to the obvious Soviet intentions to dominate Yugoslavia in the same way as the other states of Eastern Europe.” Lynn Etheridge Davis, *The Cold War Begins: Soviet-American Confrontation over Eastern Europe* (Princeton, N. Y.: Princeton University Press, 1974), 347-48. De Santis argued that “Tito’s action in Trieste was doubtless ‘based on Russian guidance,’” as it established a potentially dangerous Soviet presence in the area. He wrote that for “Yugoslavia to serve as a pawn of Moscow’s strategy in southeastern Europe was bad enough, but to establish a foothold for Soviet ideological expansionism in Italy, which fell militarily in the Anglo-American sphere, was worse yet.” Hugh De Santis, *The Diplomacy of Silence: The American Foreign Service, the Soviet Union, and the Cold War, 1933-1947* (Chicago: University of Chicago Press, 1980), 149-50. Kolko argued that the United States considered that “behind Tito stood Russia, and though American economic interests were not the prime concern in Yugoslavia, the State Department saw that country as a mode of Soviet plans elsewhere in Eastern Europe.” Gabriel Kolko, *The Politics of War: The World and United States Foreign Policy, 1943-1945* (New York: Random House, 1968), 414-20. Yergin wrote that the Trieste crisis was “a contest
American scholars, who have studied the immediate postwar period of the Cold War, also have examined the development of the United States foreign policy toward Yugoslavia in this period. They have focused primarily on the period between 1945-1956 and on the success of American aid to Yugoslavia after 1949, trying to determine what benefits the United States gained in return. Nearly all of them have emphasized United States policy and its conflict with the Soviet Union and portrayed Yugoslavia as an important but minor player. The Trieste dispute has been discussed only when it has had implications for American-Yugoslav relations and then only in the most general way. However, these studies are valuable overviews of American-Yugoslav Cold War cooperation. They have stressed that after the Trieste crisis was resolved, Yugoslavia, while not gaining the city of Trieste, did receive substantial material compensation from the United States. The settlement had important consequences for both the United States and Yugoslavia and their future military and economic cooperation.4

For Roberto Rabel, author of one of the two English book-length analyses of the crisis, Trieste was fascinating as an “entangled maze of conflicting but often overlapping national, ideological, social, and economic interests.” He is much less interested in the Trieste problem itself than in American policy toward Trieste and its changing

significance for American policymakers from 1941-1954. He has used a variety of relevant American documents concerning American policy toward Trieste that opened a new chapter in understanding American actions. He argues that the American involvement was related to the wartime intervention in Europe and to the subsequent unfolding of the Cold War.⁵

Rabel traces the United States policy toward the Italo-Yugoslav border conflict represented by Trieste from the beginning of World War II through the crisis of May 1945 and then through the early Cold War years to the Stalin-Tito split and the moderate US success in the settlement of 1954. Rabel asserts that the Trieste episode constituted one event in the transition from the politics of World War II to those of the Cold War. It was the only event that assumed crisis proportions during the very week in which the European war ended, raising the immediate possibility of a military clash between East and West. American policymakers were alarmed and recognized the need for urgent action, because they had no coherent strategy for dealing with the threat posed by the Yugoslavs in Trieste. Rabel examines in detail the actions of relevant American policymakers and their interactions with British officials during the first confrontation of the postwar era with a Communist regime. He concludes that the United States secured its immediate aims by the application of incremental diplomatic pressure, visibly backed by the determination to use military force if necessary. In the end, the Trieste problem was resolved to Washington's satisfaction. The actions taken by the United States during this crisis may be seen as part of an emerging pattern of early Cold War policymaking. Thus, the Trieste crisis was the first case of direct East-West confrontation in which the

⁵ Rabel, Between East and West, ix, xi, xii.
Truman administration anticipated the later “development of the United States basic Cold War strategy: containment.”

Rabel also describes how the State Department officials portrayed the crisis in terms of Soviet expansion, depicting Tito as serving merely as a tool of Stalin. Persuaded by these arguments, President Truman demanded that the Yugoslavs leave or the United States would “throw them out.” Yugoslavia, lacking Soviet support, quickly yielded to the threat. Rabel also shows the difficulties often encountered in making policy with Great Britain and Italy, the usefulness of the Trieste “pawn” in the Cold War for helping to maintain Italy as a stable member of the Western alliance and as a symbol of the Cold War. His discussion of the use and manipulation of Trieste in the Italian elections of 1948 adds to our understanding of US-Italian policy and shows how foreign policy became trapped in rhetoric that soon became an obstacle for settling the dispute.

Richard Dinardo explores further the relationship between Great Britain and the United States in the Trieste crisis and, in so doing, moves away from a strictly Cold War scenario. He argues that the objectives of the two allies were very different. Whereas the British aimed to protect their Mediterranean sphere of influence and the balance of power in Europe from what they perceived to be Soviet encroachment, the Truman administration sought to enforce the multilateral, neo-Wilsonian world order envisioned by the Americans at Yalta. It was, in fact, Stalin’s cooperation with the West and refusal to underwrite Tito that encouraged the President not only to confront the Yugoslavs with force but also to resist taking a harder line against the Soviets. Dinardo concludes that the Truman administration’s response to the Trieste crisis was less a preview of Cold War

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6 Rabel, *Between East and West*, 52-73; idem, “Prologue to Containment,” 141-60.
7 Ibid.
containment than an attempt to enforce a peculiarly American vision of a cooperative new world order. In the Trieste crisis the State Department was far more concerned that Stalin might be violating the multilateral spirit of the Atlantic Charter and the Yalta communiqué than that the Soviets might be overstepping their "rightful" sphere.®

Bogdan Novak's book-length study is still further removed from the Cold War framework. Drawing on his own personal experience, he has written a history of the Trieste dispute in terms of ethnic, political and ideological struggles between Italy and Yugoslavia over this area. Finished before the declassification of the relevant Anglo-American documents, his work is limited to a narrative history of the local Italo-Yugoslav struggle for control of the Trieste area and ignores many broader international dimensions of the problem. Novak writes that his "narrative focuses on internal affairs in the Julian Region and the FTT, especially as they flared into ethnic conflict accentuated by national feeling, and into a clash of Western and Eastern ideologies. Events of wider international scope enter the account only when they made a signal impact of the local population." However, his study does provide a valuable detailed account of the views of the local Yugoslav and Italian population concerning the major events of the Trieste crisis.9

Novak divides the history of the Julian Region into four distinct phases: Italian domination after World War I; Yugoslav ascendancy from 1944 to 1948; the expanding crisis and growing Italian assertiveness in the 1950s; and the final settlement of 1954. After World War II, Italy and Yugoslavia understood that the Trieste problem had

9 Novak, Trieste, 1941-1954, xv.
become a part of the larger Cold War. Italian and Yugoslav Communists in the Julian Region, under orders from Moscow, buried national antagonisms and supported annexation to Yugoslavia, while the Italian Communist party pursued a more national line in Italy. This phase ended after the schism of 1948, when Titoists and Cominformists fell out. Cold War imperatives increasingly led the Western powers to support Italy’s annexation of the Zone A, but Belgrade’s bargaining power rose after Yugoslavia indirectly became a member of the NATO Pact through its alliance with Greece and Turkey. After some particularly serious rioting by Italian nationalists in 1953, which the Pella government initiated, according to Novak, the Western powers conducted secret negotiations. The final settlement assigned Trieste and Zone A to Italy and Zone B to Yugoslavia with minor territorial changes. Novak concludes that the settlement was a sacrifice for Slovenes and Italians, but at the same time it brought Italy and Yugoslavia into closer political, economic and cultural collaboration. It was a good example of friendly coexistence between two countries with different political systems, ideological concepts and social structures.\(^{10}\)

Despite continuing interest on the part of historians in the Trieste dispute, the last phase of the crisis, 1953-54, has been relatively neglected. This period was extraordinary in a number of ways, but historians have not treated it as a separate historiographical problem. The intensive, secret negotiations of 1954 produced, after almost ten years, an agreement that not only resolved the deadlock but also ushered in a period of remarkably good relations between Italy and Yugoslavia. Because of these settlements, the polemics and the threat of military action disappeared, and the border in the Trieste area became a

\(^{10}\) Idem, *Trieste, 1941-1954*. 

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model for the local cooperation. Historians have studied the negotiations as part of the larger picture of the Trieste dispute, thereby producing no separate scholarly assessment of the negotiations of 1953-54.

Novak and Rabel have briefly analyzed the settlement of 1953-54 in the last chapters of their books but only in the broader context of the crisis. Recently, Leonard Unger and Kristina Segulja have improved understanding of the diplomatic negotiating process. Although a significant scholarly piece that broadens our understanding of the last phase of the dispute, this book gives only a short overview of the different stages of the negotiations.11

Some of the more important points that Unger and Segulja have addressed are the Italian peace treaty of February 10, 1947, the Tripartite Declaration of March 20, 1948, and the secret negotiations between January and September, 1954. According to the authors, the internationalization of Trieste was a compromise that was required to resolve an impasse in the negotiation of the Italian peace treaty. The propensity to solve territorial conflicts by partition was a result of the “slow crystallization into West and East blocs” and the developing Cold War. Although the territorial demarcation of the Italo-Yugoslav border was based in part on local ethic and economic considerations, it was in the end, a compromise to resolve an East-West confrontation in which Trieste had become a central issue.12

Criticizing the Tripartite Declaration, the authors have stressed that although the declaration helped the Christian Democrats in Italy to secure electoral victory and avoid

the perceived threat of a communist takeover, it threatened to reduce the chances of improved relations between Italy and Yugoslavia. They even argued that the declaration cancelled any real prospect of the realization of a Free Territory of Trieste and that the Western implementation of the Tripartite Declaration might have reversed the deterioration of the Yugoslav-Russian alliance and the developing split between Tito and Stalin.\(^{13}\)

The authors have emphasized the important role of Llewellyn Thompson, US High Commissioner in Vienna, arguing that he possessed the diplomatic skills necessary for the successful ending of the long conflict between Italy and Yugoslavia. At the same time they stressed one of the difficulties the negotiators in London had to overcome was the considerable pressure exerted on them by Clare Boothe Luce and the pro-Italian lobby within American policymaking circles to obtain favorable concessions for Italy. The authors concluded that after more than eight months of intense diplomatic activity, on October 5, 1954, the United States, Great Britain, Italy and Yugoslavia signed the Memorandum of Understanding that settled the Trieste impasse and served as a binding agreement for more than thirty years.\(^{14}\)

Although Clare Boothe Luce is briefly mentioned in Unger and Segulja’s book in the connection with the Trieste crisis her important role in the crisis is largely overlooked by most of the diplomatic treatments. In addition, the works dedicated to Luce’s life and career have also largely ignored her role in the Trieste negotiations. To date there is neither a critical, scholarly biography of her nor a book about her diplomatic activities in Rome in the final stages of the negotiations. Alden Hatch and Stephen Shadegg have

\(^{13}\) Ibid.
\(^{14}\) Ibid.
written the only two biographies and they offer only general and subjective accounts of her achievements as ambassador to Italy. Written with Luce’s assistance, these books are highly favorable portraits of her public career.¹⁵

Hatch has described Clare Luce as “brilliant, yet often foolish; idealistic, yet realistic to the verge of cynicism; tough as a marine sergeant with the mind … and courage of a man and exceedingly feminine instincts.” He argued that Luce charged herself with three tasks as Ambassador to Italy. The first was to further Italian and American friendship, the second was to help settle the Trieste problem, and the third was to aid the young democratic republic of Italy to “fight the malignant growth of communism in the Italian body politic.” According to Hatch, Clare Luce succeeded in all three tasks. In the first two years of her mission, the Trieste question was solved. Hatch noted that Luce did not take part in the actual negotiations, but that she had a great part in “urging patience, courage, and above all, silence, on the Italians” and in sending from Rome suggestions of ways out of particular difficulties which the negotiators encountered in London. When the negotiations broke down in late August, she went to President Dwight Eisenhower and proposed that he secretly send veteran diplomat Robert Murphy to make his views known to the Italians and Yugoslavs. After the successful settlement of the Trieste dispute, Italians praised Luce and crowds saluted her with the cry “La Luce! La Luce!”¹⁶

Shadegg also expresses admiration for Luce’s life and work, stating that he makes no pretense that his book is a critical biography in the commonly accepted meaning. He stated that it is impossible to know Luce and to know of her accomplishments and not

admire her. For him, she “commands respect and provokes strong emotional reactions.”

Like Hatch, Shadegg has also concluded that Luce is one of the most challenging, brilliant, intriguing, vexing, and inconsistent women of our century and “that is what this book is all about.” 17

Rabel was the first historian to discuss objectively Luce’s career as American ambassador to Italy. He argues that although Luce was the leading female Cold Warrior of her time, a critical, scholarly biography of this significant figure remains to be written. In his book, Rabel only briefly mentions Luce’s role in the settling the Trieste dispute, but his assessment represents a first and significant beginning of the objective study of her accomplishments in Italy. Rabel has presented primary documents and proved that Luce greatly influenced the Trieste negotiations. During the period between 1953 and 1954, she pressed other leading foreign policy figures such as John Foster Dulles and C. D. Jackson to accept her opinions about the Communist threat in Italy and to ensure that Communist influence in Italy would be combated during her time as American ambassador. During the Trieste negotiations, she supported the Italian government and its claims that if the United States did not give Italy the whole Free Territory of Trieste, or at least Zone A with the city of Trieste, Italy would turn communist, and communism would strengthen its position in Europe. 18

17 Shadegg, Clare Boothe Luce, 7-9.
CHAPTER 4

THE ANTI-COMMUNISM OF CLARE BOOthe Luce

In order to understand Clare Luce's influence on the Trieste settlement, it is important to study her ideas, especially the ideology of anti-Communism, and her place within the configuration of Cold War power relationships. Clare Luce was married to Henry Luce, the wealthy owner and publisher of *Time, Life* and *Fortune* magazines, and, according to some contemporaries, "the most influential editor in the United States." They both had a conservative, anti-Communist agenda that argued for an aggressive American foreign policy toward Soviet Russia even before World War II ended.1

Henry Luce published an essay "The American Century," in the February 17, 1941, issue of *Life* offered a plan by which America could alter its vision of itself, its national goals and its sense of power in the world. To him, the American frontier now encompassed the entire world, which hungered for American food, hope and know-how. He argued that during the approaching time of peace, Christian benevolence and progress, the Americans would enrich humanity, and thereby realize their own, divinely ordained mission. Luce argued that America should accept the duty and opportunity as the most powerful and vital nation to exert upon the world the full impact of its influence

for “such purposes as we see fit and by such means as we see fit.” “America cannot be responsible for the good behavior of the entire world,” Luce admitted, but he added, “America is responsible, to herself as well to history, for the world-environment in which she lives.” He described America as a world power, whose actions and inactions would determine the fate of democracy and capitalism. He called his country the “Good Samaritan,” and demanded that the United States export food, technology, “freedom,” “justice” and modern civilization to a world convulsed by tyranny and evil. Henry Luce stressed that American culture had already illuminated the path to his new century of immense American internationalism. Throughout the world, people already recognized “American jazz, Hollywood films, American slang, American machines, and patented products.” Describing the United States as the “powerhouse, from which the ideals spread throughout the world,” Luce foresaw an American Century in which the United States would hold supreme power. His vision of the Americanization of the world and his ideals of freedom and justice for all people became the public rhapsody of the postwar period. This and other articles influenced change in the American national mood by advocating a radical anti-Communist approach to American foreign policy. “Tyrannies may require a large amount of living space, but Freedom requires and will require far greater living space,” Luce argued. *Time* and *Life* and all his media allies spread his ideas, and anybody who thought of the American Century as imperialist or arrogant was considered a traitor or Communist.²

² Michael J. Hogan ed., *The Ambiguous Legacy: U. S. Foreign Relations in the “American Century”* (Cambridge: Cambridge University Press, 1999), 11-29. Blanche Cook argued that Henry Luce called upon the Americans to “consider the 20th century: it is ours not only in the sense that we happen to live in it but ours also because it is America’s first century as a dominant power in the world.” Responsibility for feeding and
Henry Luce became increasingly worried about the strength of Soviet power in the postwar period. By 1945 he began advocating a harder line toward Russia and Soviet Communism. Virtually ignored in 1941, attacks on Soviet Russia took center stage in his magazines. He rejected the argument of some within the Roosevelt administration that America had to view Eastern Europe as part of Russia's "sphere of influence." According to Luce, the Soviet Union had greater designs. He accepted "the premise that Russia is until the further notice the No. 1 problem for America," and "we would all be happy if it didn't exist." The apologies of American progressives notwithstanding, Russia remained "a totalitarian country" with designs on the world: "she is ready and willing to pursue a dynamic foreign policy in every quarter of the globe."

caring for the world would parallel America's defense of the world, to be achieved by "a very tough attitude toward all hostile countries." Cook emphasized that the features of the American Century did not become clearly distinct until the Eisenhower administration. Cook, *The Declassified Eisenhower*, xv-xvii. Boughman pointed out that Luce took issue with those fellow interventionists who emphasized an Anglo-American postwar order, even a political union between the United States and the British Commonwealth, as he argued that the United States was no longer a small state, for whom neutrality was not only possible but at times desirable. The success of the American economic and political experiment left the nation with responsibilities it could no longer shirk. At times, Luce appeared to be reviving the nineteenth-century argument of a "Manifest Destiny," that America was duty-bound to share with the world her exceptional political institutions and liberties. There were even references to the "open door" of trade, and to the need for a developed American economy to secure new markets. James L. Boughman, *Henry R. Luce and the Rise of the American News Media* (Boston: Twayne Publishers, 1987), 129-158. Herzstein wrote that Luce equated a happy future with American hegemony and he fulminated against the sins of 1919, when Americans turned their backs on world power and global responsibility. He wanted to bury isolationism, as he spoke of using the Bill of Rights and other constitutional wonders as "our free gift to all peoples." Herzstein, *Henry R. Luce*, 176-185. Swanberg quoted Luce, who argued that capitalism would succeed gloriously if spread internationally under American auspices. With the war won, the world and its riches would be up for grabs. The American century was a capitalist and militarist century, and the United States should do anything to take advantage of Asia and Africa making profits that would be protected by American military power. W. A. Swanberg, *Luce and His Empire* (New York: Charles Scribner's Sons, 1972), 180-182. 3 Baughman, *Henry R. Luce*, 147-48; Herzstein, *Henry R. Luce*, 379, 413.
Clare Luce shared her husband’s ideas about the role of the United States in the postwar world. As a Republican congresswoman from Connecticut and prominent public figure, she both promoted and expanded them. As World War II came to an end she questioned Soviet moves in Eastern Europe and intensified the attacks on Roosevelt’s foreign policy toward Soviet Russia. While praising Russia’s war effort, she regarded Communism, “next to fascism, as the most deadly blight that has ever hit the spirit of man.” In a series of radio addresses delivered between May 31 and July 17, 1945, she fired powerful salvos in her anti-Communist crusade. Clare Luce spoke in precise, cold words, and her message was simple: the Communists were murderers and the Russian people were slaves. Her statements dealt almost exclusively with the perceived Communist threat to the free world, including the increasing sphere of Soviet influence in Europe. She denounced all liberals who wanted to come to terms with the Soviets, claiming that they were selective in denouncing aggression: they had attacked Nazi Germany, but remained silent in the face of the Soviet militant actions. She outlined a program for confrontation in Cold War terms, not just with the Soviets, but also with all liberals who sought to cooperate with the Soviet Union.¹

In her first congressional speech, “America and World Communism,” she argued that the Soviets controlled directly or indirectly every government in Europe. According to Luce, they achieved this control with a three-point policy:

By a policy of fraternization with the conquered peoples; By the liquidation of all anti-Communists. This means that if people resist communism, whether they are Fascists, Monarchists, Socialists, democrats, or Liberals, they are shot, imprisoned, or deported.... [And] by a policy of putting guns, money, and food, which is to say

¹ Herzstein, *Henry R. Luce*, 313, 378; Swanberg, *Luce and His Empire*, 245, 269; Baughman, *Henry R. Luce*, 147.
political power, into the hands of all discontented minority groups which will agree to adopt Soviet programs. 5

She also stressed that the Americans and Communists were 180 degrees apart on most fundamental political concepts. While Americans believed in free press, free speech and free worship, the Communists believed that the press should be controlled and pre-censored, that men should not be allowed to criticize their leaders, and that any religion not subject to state control should be liquidated. If the Nazis did not have right to conquer the world in the name of totalitarianism, Luce argued, then the Communists did not have right to conquer the world in the name of “national security.” Since the Moscow Communist leaders and their agents outside of Russia seemed to claim the right to communize all of Europe and all of Asia by liquidating all non-Communists; work within all other countries to overthrow their systems of government by force and murder; and morally justify international technique of terrorization and subversion, Luce asked, “what should the United States do about it?” Should the United States accept Communist subversion as morally justified because the Soviet Union needed security? The answer was undeniably no: since morally, Communism was, according to Luce, in the “red-blood red,” the Americans should help their Government use its “great diplomatic power and vast military prestige” to help all European and Asiatic states to form true representative parliaments and constitutions that would guarantee freedom and democracy. The United States should oppose the Soviets vigorously, Luce suggested:

If we want to stay out of war with communism we must not appease communism. And we dare not appease communism. This cannot remain two worlds, as it is today—the world of totalitarianism and the world of liberty… as our conflict with Nazi

totalitarianism proved, these worlds are doomed to come into conflict. It must, and will be one world sooner or later.\textsuperscript{6}

She predicted that the Soviets would try to conquer Germany for security reasons and included in the \textit{Congressional Record} an article by David J. Dallin titled “Between War and Peace.” The article argued that although the war with Germany had ended, the peace had not started and the struggle for Germany was ahead. The reason for that was the Soviet intention to establish the line from Stettin to Trieste as the Russian sphere. The Communist goal for more that twenty seven years had been a “collaboration, alliance, and a tight union” with Germany because “Germany is the heart of Europe,” and “capitalist Europe cannot exist if it loses its heart.” Unfortunately, under the Soviet threat, the article complained, the policy of the Western allies had not yet taken shape and it “seems as if they were muddling along with no program and concept at all. It is neither hard nor soft.” If the United States continued this wavering, it would be too difficult to move forward when Russia had pursued a new unilateral action. The key to safety in Europe was in the hands of the Western allies, and everything depended on their willingness to use that opportunity.\textsuperscript{7}

In a series of articles, Clare Luce attacked a foreign policy that tried to avoid any cause for friction with Soviet Russia as well as “its many good friends in this country and abroad.” She took issue with those who were predicting enduring Soviet-US friendship and argued that the United States was “leaning over backwards to avoid giving offense to

\textsuperscript{6} Luce distinguished Russian people from thier leadership and argued: “It is a heartbreaking pity that the heroic but enslaved Russia people—the common men of Russia—are not free to aid us in an effort to enlarge the area of human freedom. But we must understand that the plain people of Russia in a vast concentration camp, the prisoners of their own leaders.... The Russian people are and must continue to be our friends, for the peace of the world depends on that friendship.” Ibid.

\textsuperscript{7} “Between War and Peace,” \textit{Congressional Record}, June 13, 1945, A 2855-56.
Russia" in its relations with the Soviets in Austria, Hungary, Yugoslavia, Germany, Poland, and Czechoslovakia. The United States did not question in these countries the formation of new regimes in which American and other democratic representatives took no part, even though the Yalta Conference entitled them to do so. Well-known Communists or people who were trained in Moscow held all-important cabinet posts. In the Eastern European countries the situation was alarming as the Red Army occupied entire territories and started the same pattern of Communist totalitarian subversion. The existing political structure was dismantled and replaced by carefully prepared regimes declared to be "free" by Moscow but soon to become communized. Their leaders were Communists, former members of the now-dissolved Comintern, and loyal agents of the Kremlin. These Communist governments bore the name of the United States as one of the three responsible powers in control, Luce argued. She added, "since we have made no contrary representations to our Soviet associate, it must be presumed that we are entirely content with these conditions." She concluded that even this picture "which we here in the United States may not consider a very happy one," should remind all Americans that "our name is signed to it as one of the designers." Therefore, no Eastern European "is permitted to know otherwise than that we are responsible."

In October, 1945, Secretary of State James Byrnes, reporting on the failure of the London Conference of Foreign Ministers, said of the US attitude toward Soviet Russia, "We are not unduly exacting." Clare Luce attacked his comment with the words:

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9 Ibid., A 2858, A 3027.
Today, many competent observers of our foreign policy claim that our failure to be
firm, precise and clear in our foreign policy expectations toward Russian rearmament
and territorial and political demands in all quarters of the globe, will result in an
increasing drift toward world catastrophe.\(^{10}\)

She also included in her speech three articles, which emphasized the dangers to world
peace in “this policy of laissez faire,” blaming the current Administration’s foreign policy
for that situation. They all denounced the Administration’s actions and argued that
policymakers were not in control of their policy. They allowed “policies to be made in
isolated fragments, without proper recognition of the fact that our relations with Russia or
Great Britain are the net result of all decisions which we make that affect them.” The
result of wrong policies could only be a major catastrophe for the United States and its
prestige in the world.\(^{11}\)

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\(^{10}\) "Not Unduly Exacting,” *Congressional Record*, November 14, 1945, A 4873-874.

\(^{11}\) Walter Lippmann wrote the first article in which he argued that the United States could
not shape its policy the way it did it before and added: “The people of this country had
better realize now, before it is too late to do anything about it, how far we have drifted
into accepting the supremely defeatist idea that, while paying lip service to the
organization of peace, we are in fact in a race of rearmaments…. We have drifted into a
race of armaments with the Soviet Union, not only in respect to the atomic bomb, and to
postwar military programs, but no less in respect to what is called power politics—that is to
say, into a competition for the control of the weak but strategically important regions that
lie between the Soviet Union and the United States.” William Philip Simms wrote the
second article in which he stated that “it had been hoped here that the Red celebration in
Moscow could lift the pall which of late has settled more darkly over the international
situation. Instead, the effect has been the reverse.” Dorothy Thompson wrote the third
article and she argued that “the reality is that at Teheran, Yalta, San Francisco, and
Potsdam our political leaders gave away the power that America had built up for the
cause of justice, liberty, and peace.” She added that “[u]niversal military training is not
for the ‘enforcement of peace.’ It is asked because there is no peace—in our consciences,
our minds, our hearts, our policies, our societies. It is asked in frantic hope that the great
nations, estimating each other’s terrifying power and maneuvering against each other’s
over the moans of the real ‘peace lovers’—the suffering, sacrificing, believing, hoping,
and broken-hearted people of the world—will fear to attack each other, lest the result be
mutual annihilation.” Ibid.

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Time gave prominent coverage to Clare Luce’s observations in the Congressional Record under the heading “Congresswoman v. Russia” and hailed her warnings against Soviet domination in Europe:

Connecticut’s Congresswoman Clare Boothe Luce has sent many a verbal slingshot at Communist Russia. Over the radio and in articles she has pounded away at the thesis That Russia, as the strongest power in Europe, is rapidly communizing the continent. In a series of Congressional Records she discussed all the small countries in Russia’s orbit, detailed the Communist influence in their present Governments.\textsuperscript{12}

Time also noted that the most prominent Russian propagandist, David Zaslavsky, in Pravda magazine called Clare Luce “a Fascist and Goebbels’ unconsolated political widow…. This lady does not like us. Furthermore she hates us with a passion which is more African than American in violence.” He added that she presented a resolution in Congress decrying the “sins” of Yalta and declared in speeches that the Soviet Union would “swallow China” as well as the Balkans. Another Pravda commentator said that she had “waged [a] personal little war on Hitler’s side against the Soviet and the American people.”\textsuperscript{13}

Congressman Joseph E. Talbot rose vigorously to her defense saying that in the Congressional Record Clare Luce gave the results of her “explorations into Communist natural history with… quiet detachment,” and that a woman should “dare to enter this forbidden field… filled the editors of Pravda with fury.” They did not know how to “meet these facts” and they took “the usual line of violently abusing the author.” There was nothing wrong with Mrs. Luce’s assumption that “her fellow countrymen should know what their representatives are engaged in doing, so they won’t be surprised when the accomplished fact burst upon them later.” Talbot concluded that:

\textsuperscript{12} Time, July 30, 1945.
\textsuperscript{13} Ibid.; Swanberg, Luce and His Empire, 235-36.
Mrs. Luce is doing a service to the United States. In fact, it might be added that anyone who really is doing a service to the United States today rather than to communist Russia...is almost certain to be accused of being a Fascist. To love your own country in preference to Moscow is practically treason in the eyes of left-wingers.  

As Clare Luce continued to warn against the Soviet threat, *Time* and *Life* reiterated their stance that the Soviets were the United States' major enemies. *Life* declared that America and Russia were rivals for power and influence around the world. Wishful thinking concerning Soviet-American relations fostered during the World War II had to end; “the notion that the peace will spread normally and automatically...is a falsehood and a delusion. There is neither real peace nor prospect of it.” In truth, a political and diplomatic conflict was already going on between Russia and the Western powers in all parts of the world. *Life* declared that if the Americans wanted real peace, they would have to get used to the idea of living with this conflict, as their diplomats had learned to do. “We shall have to work hard and sleeplessly at the tough game of power politics and diplomacy,” *Life* argued. It warned that, “If Americans do not wish to make that effort, we will all wake up someday to find our allies divided, our prestige gone, and a Russian war that could have been prevented threatening the world.”

*Life* also continued to run signed articles warning readers about Russia. In June 1946, Wall Street attorney and Republican foreign policy adviser John Foster Dulles wrote a

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14 Talbot also argued: “Arrangements should be made to publish all of Mrs. Luce’s articles under one cover, where American citizens may see the whole record. These studies of the communizing of so-called liberated Europe have appeared from time to time in the *Congressional Record* under the general title of 'Leaning Over Backward'—a phase selected by Mrs. Luce from a statement of acting Secretary of State Grew....How far we are leaning over backward has been shown by Mrs. Luce with names, facts, dates, figures, and the record of one liberated European country after another.” “Why They Hate Mrs. Luce,” *Congressional Record*, July 17, 1946, A 3502.

15 *Life*, May 27, 1946.
two-part series urging the West to awaken to the prospect of a *Pax Sovietica*. Dulles argued that the most urgent task of American statesmanship was to find the policies that would avert a serious clash with the Soviet Union. The more Soviet policies were studied, the greater the danger of such a clash appeared. He wrote:

Soviet leaders assume that peace and security depend upon quickly achieving worldwide acceptance of Soviet political ideology, which suppresses certain personal freedoms...it would be foolish to rest our hope of peace on any genuine reconciliation of our faith with that now held by Soviet leadership. The differences are fundamental. But peace can prevail if Soviet leadership will abandon the intolerant methods by which they now seek to eradicate those differences...[S]o long as Soviet policy seeks its own security by achieving *Pax Sovietica*, the United States will be disposed to resist all expansive manifestations of Soviet policy.16

By 1946, *Time* published individual news stories and summaries increasingly supporting the Cold War. A *Time* editorial asked “What does Russia want” and answered: “Russia wants power. Russia wants prestige. Russia wants security.” It also defined the Communist ideological nature as constantly searching for security by annexing “273,947 square miles since 1939.” The methods were “self-confident, ruthless and capable of infinite variety from military terror to humanitarian tracts.” *Time* defended the Marshall Plan in an article titled “What price peace?” The evidence that Russia wanted to dominate the world was overwhelming, as Communist ideology argued that the whole world should adopt its social and economic system. If the United States wanted to stop Communism in Europe, *Time* stressed, it had to invest $15 billion in European political, economic and social stability. That was not big compared to the potential US bill for

16 *Life*, June 3, 10, 1946. According to Immerman, in Dulles’s geopolitical framework there was also an “Inner Zone” (already under Moscow’s direct jurisdiction) and a “Middle Zone” (territory in Eastern Europe and Asia “not yet ripe for incorporation into U.S.S.R.” but susceptible to coercion). Richard H. Immerman, *John Foster Dulles, Piety, Pragmatism, and Power in U.S. Foreign Policy* (Wilmington, Delaware: A Scholarly Resources Inc., 1999), 29.
World War III—at least 350 billion dollars. *Time* concluded that “peace between the U.S. and Russia is probable as long as the U.S. stays out in front.”

Through the postwar years, both Clare and Henry Luce developed their ideology of anti-Communism and, during the 1950s, continued the anti-Communist crusade against Soviet Russia. Clare Luce helped in founding “Common Cause,” the first American organization to fight Communism on a global scale. One of her friends commented, “Clare’s penetrating understanding of communism, her knowledge of American institutions and politics, and the dynamic thinking she gave to Common Cause were extraordinary.” As early as 1946, Common Cause established contact with the strongest anti-Communist underground in Russia. Here, her personal friendship with virtually all the most important exiles from Communist tyranny in Europe proved useful. In 1949 she helped to bring all the heads of the governments-in-exile together to lay the groundwork

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17 *Time*, April 1, 1946, July 21, 1947. In the article “What does Russia want?” *Time* wrote that Russia “views capitalist—and socialist—nations with suspicion colored by the communist Party’s own conspiratorial background. Russia, therefore, maintains the biggest army in the world (at least 6,000,000 men). She would like to keep her won sphere of influence isolated from the rest of the world, and has already broken most of eastern Europe’s economic and cultural ties with the West.... Russia’s economic power is expanding into the vacuums left by the shattered industries and trading spheres of Germany and Japan. Her social system, while it challenges centuries of Western progress, has an undoubted appeal for millions.” Ibid., April 1, 1946. In the article “What price peace?” among other things *Time* wrote: “[T]he leaders of another country—Russia—want to dominate the world. It is certain that they do, or are some nervous Americans just imagining things? The evidence of Russia’s intention is overwhelming. It is stronger than the evidence of German and Japanese intentions in 1937. Communist leaders subscribe to a philosophy that says the whole world must adopt their social and economic system, and ‘the international soviet shall be the human race.’ The communist philosophy says, further, that good men should work like beavers to bring about this world victory of Communism.” Ibid., July 21, 1947.
for the Free Europe Committee. Interestingly, under her influence, Common Cause called for the return of Trieste to Italy as early as 1947.¹⁸

Since Clare and Henry Luce were ideologically in agreement on both domestic and foreign politics, in the 1952 national elections they supported the Republican Party and Dwight Eisenhower's candidacy for president against the Democratic nominee, Governor Adlai E. Stevenson. *Time* and *Life* influenced millions to vote Republican, and Clare Luce made over 40 campaign speeches for Eisenhower. After the Republicans won the election, President Eisenhower, according to some sources, paid his debt to the Luces by nominating Clare Luce as ambassador to Rome. She accepted this position on the condition that Henry Luce help her.¹⁹

On February 16, 1953, *Time* praised President Eisenhower's decision to nominate Clare Luce as “first woman ever appointed to a top U.S. Embassy, and the first woman ambassador ever appointed to Rome from any nation.” *Time* also glorified her previous political work saying:

In her first campaign she showed a sureness of political touch and a flair for the dramatic political phase which delighted her audiences and got her elected...and in 1944 reelected.... As the war neared its end, she was one of the first to give clear public warning of the struggle that lay ahead....[S]he decided not to run for reelection in 1946.... [T]he prospects of an Eisenhower campaign brought her back into politics, and began stamping for his nomination because he is the one living symbol of U.S. determination to defend itself and Western civilization against the political and military forces of Communism.²⁰

*Time* concluded that the news of her appointment brought statements of approval from her associates from Congress and from the Italian press. *Time* even cited an article from

²⁰ *Time*, February 16, 1953.
the New York Times that argued that, while Italy was “a crucial spot in the cold war, a testing place of American policy,” Clare Luce, with “ten year’s experience in American politics, an unusual knowledge of Italy…and the confidence of the Administration, a matter of great interest to the Italians,” was well equipped to confront her new task. The article concluded: “as a pioneer in the upper reaches of diplomacy she is likely to rise to one of the biggest challenges ever offered to a woman.”

During Luce’s ambassadorship, Italy became one of the major challenges for the United States policy in Europe and one of her major concerns. Although she did not have diplomatic experience before she became the ambassador, her strong anti-Communism and good connections in the State Department afforded her access to the most important leaders in Washington and enabled her to pressure them to find a solution favorable to the Italians. Gastone Guidotti, head of the Italian foreign ministry political section, described Luce’s power and influence: “Mrs. Luce is the most important ambassador you have ever had here because she is a member of your Politburo. If there is anything we really want done, we persuade her—she circumvents the State Department and telephones the White House. _Time_ and _Life_ are more valuable to us than experience.” Diplomats often have very little actual power, their job being to carry out the policies of their home governments while carefully avoiding interference in the internal affairs of their host governments. This was not the case with Luce as she went far beyond her diplomatic duties.

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21 Ibid.
CHAPTER 5

THE TRIESTE CRISIS OF 1953

Clare Luce upon arriving in Rome immersed herself in Italian politics and caused much controversy during the 1953 election campaign. In becoming deeply, directly and publicly involved in Italian politics, she ignored the National Security Council’s (NSC) edict regarding plausible government deniability. She warned that US economic aid to Italy would continue only if the coalition led by the Christian Democrats won. Such intervention was not unprecedented. In 1948, American officials announced that if Italians voted a Communist regime into power, they would automatically dissociate Italy “from all benefits of the European Recovery Program.”¹ However, this time the same American rhetoric and intervention stimulated a strong negative reaction, because the Italian voters cared more about domestic issues than about Cold War policy. A New York Times journalist reported that the majority of Italians “were interested only in supporting the party that might be most helpful to them personally.” A Italian local official noted: “Generally speaking, our people could not care less for the Atlantic pact, the European

¹ Rabel, Between East and West, 147; DeConde, Half Bitter, Half Sweet, 294, 319. Swanberg argued that the earlier ambassadors in Italy, James Dunn and Ellsworth Bunker, had let it be known in discreet and gentle terms that a Communist victory would diminish or stop the flow of funds. This was the sort of suggestion that had to be made with tact concerning American aid “rather than the twisting of the Italian arm, or leg.” Mrs. Luce’s record of strident anti-communism and the opinion of some friends that tact was a quality unknown to her raised the question of whether she was equipped to get maximum political mileage out of American aid to Italy. Swanberg, Luce and His Empire, 343.

Because of the Soviet proposals for peace, many Italians envisioned the possibility of an international détente and they argued that should this happen there would be no real need for intensive rearmament or for close military association with the United States and the other Western powers. This thinking was in accord with that of the Communist Party, which fiercely opposed Alcide De Gasperi’s commitment to the European Defense Community (EDC) agreement that was “designed to be supranational in character, consisting of common institutions, common armed forces and a common budget.” The Communists and other parties of the left criticized De Gasperi’s close ties to America and accused his government of being subservient. The parties of the right also blamed the government for showing weakness in its foreign policy, pointing to the still unsettled Trieste dispute. Overall, most Italians continued to show that they were as loyal as ever to the Atlantic alliance and to close ties with the United States, but at the same time that they were far less worried about communism than their American critics.3

Some American officials were aware of this new situation and suggested a policy that would be more acceptable to the Italians. In 1952 the former American ambassador to Italy, James Dunn, proposed a different course of the American policy for the “national elections little more than a year away.” Since the Italian government felt the need to “demonstrate its independence in [the] international field,” and particularly regarding

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2 DeConde, Half Bitter, Half Sweet, 319; New York Times, June 8, 1953. In the following pages I will often abbreviate title for the New York Times as Times; all citations are from Section 1.
relations with the United States, Dunn urged the American leadership to patiently encourage democratic forces, because it "is more necessary than ever and if wisely exercised [it] will be welcomed." He emphasized that public criticism of conditions in Italy by US officials in any branch of the government "will simply make matters worse." He argued that the United States "must also recognize [the] tendency to transfer responsibility for troubles to others, even to us," and must be "patient" and influence policies only in private. Dunn concluded that we "must plan our actions both in public and private in support of democratic political parties with a view to assuring their success in elections regardless of whether we are satisfied with their composition or with all their policies."^4

These suggestions did not modify the tactics that Clare Luce used to persuade Italians to vote for the Center coalition as she continued to worry about the elections’ outcome and a Christian Democratic victory. She informed the State Department that the election campaign lacked a sense of excitement and novelty. The Italian government did not have a concrete domestic political program for the future, "largely because there is no general

^4 Dunn argued that the situation in Italy "has elements of real danger and political stability...depending as it does on work of one man De Gasperi [who] can no longer be taken for granted in our calculations." He also stated that the "astonishing economic recovery of Italy has concealed [the] relatively much slower progress in psychological and moral recovery. The stimulating effect of Gen Eisenhower’s appointment in Europe and vigorous start which was given to rearmament for common defense has virtually petered out. . . . [The m]agnitude of [the] long-range problem of unemployment and of population in relation to productive capacity and resources intensifies [the] sense of discouragement. Some hope is seen in [the] potentialities of tackling these problems in [the] larger framework of developing European unity but progress in this is still too slow to have substantial economic effect in [the] next few years.... All parties increasingly rely on [a] nationalist appeal as [a] measure of genuine self-assertion and to distract from internal difficulties. Long years of dependence on [the] US relationship, combined with insistent attacks of [the] left and right for 'subservience' to US, is having its effect." "The Ambassador in Italy (Dunn) to the Department of State," January 31, 1952, FRUS, 1952-1954, 6:1565-1569.
agreement on domestic politics within [the] CD Party or [the] Center Coalition.” At the same time, she emphasized that the Christian Democrats’ accomplishments in terms of recovery, stability, public works and reform were strongly before the Italian public. In order to secure the De Gasperi government’s majority in the elections, Luce publicly promised more American economic aid and threatened to cut all benefits if the election outcome was not favorable to the United States. On May 27, 1953, the New York Times wrote that Ambassador Luce informed Premier De Gasperi that “an additional $22,000,000 of economic aid had been assigned to Italy.” The Times believed that “the assurance that Italy continues to receive a notable share of American aid… will not be lost upon the Italian voters.” Two days later, Luce implied that the United States would apply economic sanctions if the Italians elected a government of the Left. She warned Italians “the United States aid would be cut if Italy should become the victim of either left-wing or right-wing totalitarianism.” The Times believed that this statement “is certain to be full of political consequences,” and it would probably raise criticism that “Luce is interfering in internal Italian affairs.” Still, the Times deemed it useful to point out to every Italian “how far reaching the results of his vote might be.” Luce’s first political

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5 Luce argued that “there is also [a] lack of [a] concrete domestic political program of government for [the] future,…[t]here will probably be [a] mild CD recovery from 1951-1952 partly because of greater turnout, less blank ballots, [but the] fact [is that] these are political rather than local elections, and [the] prestige [of] De Gasperi as contrasted to [the] lightweights and shabby alternatives offered by [the] Right. [The e]mbassy continues to believe [that the] Center parties will out-poll [the] opposition by rather [a] slim margin and obtain [a] premium in [the] Chamber…. In [the] Senate notwithstanding strong rightist candidates in [the] south Center will probably also win [the] majority at least with help [of] six Senators for-life and [the] distortion of [the] voting system which favors [the] CD party.” “The Ambassador in Italy (Luce) to the Department of State,” June 3, 1953, FRUS, 1952-1954, 6:1606-8.
speech was not only the articulation of the United States’ basic policy but also an attack on the Soviet Union’s peace overtures:

The new tactic of the Soviets holds considerable dangers for the free world. It is nicely calculated to throw us off guard, to persuade us that the need for our new-found unity has lessened, to encourage and create divisions among our allies, to allay the sense of urgency that has produced such remarkable achievements, to foster neutralism and, above all, to encourage all extremists of left and right to assault and weaken the integrity of their own governments...for future totalitarian power.6

Luce promised direct and indirect American economic aid, “as long as the threat of aggression remains,” and said that the Eisenhower administration “would make every possible effort to help Italy’s pressing problems of overpopulation and consequent unemployment.” However, even some Italians known for their friendliness to the United States resented Luce’s threats. They began to mistrust the close association with the United States, since the relationship carried with it the obligation of rearmament and gave the Americans the opportunity to interfere in Italian domestic affairs.7

Because many Italians resented the American demands and became overly critical, tending to overlook the economic assistance they received from the United States, Luce’s efforts probably hindered the Italian government at the polls in the June 7, 1953 national elections. The Center coalition won a clear majority in the Senate, but obtained just under 50 percent of the vote for the Chamber of Deputies. Therefore, the Center parties failed to receive the 65 percent of the seats in the Chamber they would have had under the new

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7 *New York Times* May 27, 1953; DeConde, *Half Bitter, Half Sweet*, 319. Cook argued that although Luce failed to obtain decisive victories for the Christian Democrats, her activities resulted in as yet classified sums of money and other kinds of support for future election efforts to block a coalition of Italy’s socialist and communist leaders. It is known that Luce’s recommendations for “covert” aid involved requests not only for aid directly to the Christian Democrats, but for a variety of measures that resulted in increased unemployment and isolation of Communist unionists. Records of her meetings with Fiat are now available from Italian sources. Cook, *The Declassified Eisenhower*, 193-94.
electoral law had they won a majority of the popular vote.\(^8\) Despite this setback, De Gasperi tried to organize his eighth ministry and introduced his new government’s program, stressing that Italy intended above all to fulfill its commitments under the Atlantic pact, and in return expected help in solving the Trieste dispute. The New York Times quoted the Italian magazine *Esteri,* “which usually reflected the opinion of the foreign ministry [that] ratification of the European Defense Community treaty will be the first manifestation of the Atlantic pact policy to be taken up by the Parliament.” It further stated that the “city of Trieste and its territory must be returned to Italy,” and blamed the election results on the Soviet peace moves, which were “exploited for the election purposes by the Italian Socialists and Communists.” *Esteri* asserted that the right-wing parties opposing the Center coalition exploited the fact “that the three-power declaration of 1948 whereby the United States, Britain and France advocated the return to Italy of

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\(^8\) Rabel, *Between East and West,* 248; “Editorial Note”, *FRUS, 1952-1954,* 6:1608; The New York Times reported that the Christian Democrats emerged from the elections once again as by far the strongest party in Italy; “The Right-Wing Socialists, Liberals and Republicans, who are allied with with the Christian Democrats, showed more weakness than expected…. The extreme Left-Wing parties again proved their ability to control about a third of the Italian voters. Their strength has increased in the last five years, but not rapidly.” New York Times, June 10, 1953. The result of the election was that no one emerged as the victor. In some respects, the campaign was a repetition of that of 1948: the church, Catholic Action, and the American Embassy repeated their veiled admonitions. But the voters remained apathetic, and it came as a surprise when an unprecedented 93 percent of the electorate went to polls. Hughes, *The United States and Italy,* 198. Before the June election De Gasperi suggested “interesting but provocative proposal” that any alliance of parties winning a clear 50 percent of the votes should receive extra 15 percent in the allocation of parliamentary seats. Mainly the Left criticized this proposal, which was eventually adopted, but when the elections were held in June there were many defections from Christian Democracy and De Gasperi’s coalition failed by a few thousand votes to secure the necessary 50 percent. Instead of winning a bonus of extra seats he lost much of the support he already possessed and this brought his career to a close. Denis Mack Smith, *Modern Italy, A Political History* (Ann Arbor: The University of Michigan Press, 1997), 437.
Trieste had been followed by no practical results.” A foreign ministry spokesperson expressed the same opinion:

[The] Italian aspirations where Trieste is concerned are shared by all Italians and by all Italian parties. The result of the elections cannot be said to have weakened the government in the matter of Trieste, but rather to have strengthened it because they showed that on this subject substantial unanimity exists among the Italians.9

After the Western powers invited Yugoslavia to send a mission to Washington for military conversations, the Italian Government stated its belief that this move “might kill any hope of solving the Trieste problem.” De Gasperi himself warned the Western powers that “the crisis in Italy’s relations with the West was approaching if something effective was not done in the near future to get [the] Trieste problem out of way.” De Gasperi’s strong stand on Trieste and his criticism of the Western powers’ policies toward Italian demands came too late to help him win the confidence of the parliament.

On July 28, his government coalition fell and he resigned.10

9 New York Times June 16, 19, 1953. The New York Times stated that, according to Esteri, the only acceptable solution for the Trieste problem was: “one founded on ‘irrefutable ethnic data.’” The Times further wrote: “The city of Trieste and its territory must be returned to Italy to lay the foundation for political, economic and military collaboration between Italy and Yugoslavia.” Ibid., June 16, 1953.

10 New York Times July 19, 22, 1953. The Times wrote: “It was charged in Rome today that the United States, Britain and France seemed to be doing everything possible to make it difficult for Italy to remain in the North Atlantic Treaty Organization and continue a policy of European integration.” Ibid., July 19, 1953. A day later the Times reported again the Italian stand about the military talks between Yugoslavia and the Western allies: “It was felt here that the State Department had missed the whole point of the Italian protests. What the Italians fear is not that decisions contrary to their interests will be taken in Washington, but that increased military aid and the heightened prestige resulting from the invitation to Washington will make the Yugoslavs even more intractable than they had been hitherto and cause them to stiffen their stand on Trieste.” Ibid., July 22, 1953. There are many documents that discuss possible military conversations between Yugoslavia and Western powers in Washington. Some of them are: “The Secretary of State to the Secretary of Defense (Wilson),” June 11, 1953, FRUS, 1952-1954, 8:1355-57; “National Intelligence Estimate,” June 26, 1953, FRUS, 1952-1954, 8:1357-59; “Memorandum by Adlai E. Stevenson to the Ambassador in Austria
Since De Gasperi involved himself directly in the foreign policy that brought Italy closer to the United States than at any time in the past, his fall marked a turning point in the history of Italian-American relations. Depending on whether one was Italian or American, the reaction to De Gasperi's fall was notably different. Most Italians were happy, some were actually jubilant, and far fewer as worried as their allies. They expressed their pleasure over De Gasperi's departure, believing that Italian democracy would show itself strong enough to function without a father figure to guide it. The myth of De Gasperi's indispensability disappeared, and Italy was on its own; its national life would no longer be dependent on the attitude of a powerful ally. Italians wanted to end American tutelage, but not American friendship.¹¹

Contrary to the Italians, the Americans were upset and an atmosphere of gloom settled over the American Embassy: an air of stern disquiet reigned, as the staff speculated on the uncertain future of the alliance they had nourished. Americans concluded that the elections demonstrated an increase in the number of Italians who preferred communism to democracy. Americans were also alarmed with this outcome because they had based their policy toward Italy on the idea of keeping it within the Western orbit and of checking the growth of communism within Italy. Some critics thought that the United States had spent its money in Italy in vain. They blamed the Italian government for not putting into effect plans for improving conditions among its people and thereby stopping the spread of communism. Some people even criticized Clare Luce for her efforts to


influence the Italian elections and her first political speech in Milan on May 28, 1953, was held responsible for the heavy losses of the Center coalition. But *Time* strongly defended Clare Luce and her statements as positive and not unusual because she only wanted to make sure that "every Italian voter understood where the US, which has given Italy $3 billion in aid since war's end, takes its stand."¹³

The National Security Council discussed the problems in Italy in its two meetings. On June 9, the 149th NSC briefly referred to the domestic political situation in Italy. President Eisenhower said, "If some free world country, such as Italy, were actually to elect a Communist government," he did not see how we could do anything to prevent its exercise of power. On July 30, the 157th NSC discussed the reasons for De Gasperi's fall and blamed the failure of the Christian Democrats to meet the needs of the lower income groups. The NSC concluded that the Italian electoral law, which had received the name "swindle law" during the campaign, the increasing discontent among many classes of the population, the recent Russian peace offensive, and uncertainty over American policy also played a role in the elections.¹⁴

Although the Trieste dispute was not part of the discussion, President Eisenhower mentioned it saying that the United States would have helped De Gasperi in the elections

¹² Rabel, *Between East and West*, 147-48; Cook, *The Declassified Eisenhower*, 192-93; DeConde, *Half Bitter, Half Sweet*, 319. In the interview that Luce gave to Ann Morin in 1986 about her policies in Italy, she stated that she never wanted to press her own view on anyone. She also said: "I was content to let everyone figure it out the way they wanted to at the time." Morin, *Her Excellency*, 35. Shadegg stated that the polls in Italy had shown that the De Gasperi government was in serious trouble before Luce came to Italy, and that the Embassy staff itself felt that the belated US "hint" might well have prevented the loss of even more seats. De Gasperi himself remarked that he doubted that the new ambassador's warning changed a single Italian vote. Shadegg, *Clare Boothe Luce*, 243.

¹³ *Time* June 8, 1953.

“if we could have made a firm commitment on Trieste, but this was impossible because of Yugoslavia.” And he pointed out that he could not understand why the Trieste question was so important and why it “aroused emotions in Italy quite out of proportion.”

Clare Luce had a completely different opinion about the Trieste dispute and its importance for the elections’ outcome. She attributed the election loss solely to the failure of the United States, Britain, and France to implement the 1948 Tripartite Declaration on Trieste that would have give Italy the whole FTT. Before the June elections, Luce thought that the Trieste problem was not the decisive issue that would influence the elections. She claimed that the Trieste issue had not “caught fire” as an instrument of the Rightist propaganda and that De Gasperi government had “continuously maintained [the] tactical offensive.” However, after De Gasperi’s fall, she blamed it all on Trieste and began to work hard to persuade the State Department and other officials to pursue a solution favorable to Italy.15

As a “political” ambassador, Luce had good connections in the State Department and an easy access to President Eisenhower and other important politicians in Washington. She frequently contacted C. D. Jackson, John Foster Dulles and other prominent political figures within the Republican administration, warning them about the communist threat in Italy. Since Jackson and Dulles were very powerful Cold Warriors who had direct

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16 “The Ambassador in Italy (Luce) to the Department of State,” June 3, 1953, FRUS, 1952-1954, 6:1607; Rabel, Between East and West, 148.
contact with President Eisenhower, often giving him advice about different foreign policy
decisions, Luce was able to influence the decision-making process at the highest level.  

That John Foster Dulles, the Secretary of State, was Eisenhower’s preeminent foreign policy advisor until his death in May 1959 was never in question. Eisenhower entrusted Dulles with great power and influence, and although the president reserved final decisions for himself, he always consulted Dulles first. Dulles never tried to bypass or in any other way trespass on Eisenhower’s authority. As president and secretary of state, they cultivated a relationship based on mutual respect and trust. They conferred frequently, in person or over the phone, and regularly exchanged telegrams. Eisenhower said that Dulles “never made a serious pronouncement, agreement or proposal without complete and exhaustive consultation with me in advance and, of course my approval.”

Dulles was only one of many Cold Warriors and advisors who influenced decisions during Eisenhower’s presidency. C. D. Jackson, a former vice president and senior executive in Henry Luce’s Time-Life organization, became Eisenhower’s first special assistant for psychological warfare. The more Eisenhower’s commitment to psychological warfare exerted a profound influence on the overall direction of his foreign policy, the more powerful Jackson became. Although Eisenhower included all of his key defense and economic advisers in the broader national security strategy, he reserved a special place for Cold Warriors such as Jackson. Eisenhower usually received fresh ideas and perspectives, from Jackson, and other psychological warfare advisors. Even though

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Jackson left the White House in 1954, he continued to advise Eisenhower on both a formal and informal basis throughout his presidency.\(^\text{19}\)

High-level politicians expressed concern about the situation in Italy after Clare Luce started to write her reports warning of the communist danger and its ostensible threat the overall American policy in Europe. Despite her warnings, the State Department and the President were focused on Korea and did not do much about the situation in Italy. In summer 1953, the Korean peace talks stopped and there was a great possibility that the war would continue. The Republican administration tried to calm Korean affairs as Eisenhower had promised in the election campaign. After secret negotiations through India, both sides signed a truce and the war finally stopped. With the end of the Korean crisis, Washington turned greater attention to Trieste and Italo-Yugoslav relations.\(^\text{20}\)

In the meantime, Luce continued to send her “forceful” reports to the officials in Washington. After De Gasperi’s fall, Luce defended her Milan speech in a letter she wrote to C. D. Jackson and later in the interviews she gave to journalists. She pointed out that the Communists had made only insignificant references to these remarks in the electoral campaign and that only certain elements of the Monarchist party had referred to them, particularly the neo-Fascist party. She also said:

Our friends here have been a bit disturbed about [the] allegations in the press at home that one of the “principal” reasons why the center coalition did not win over 50% of the vote was a passage in my speech.... [T]hese remarks were taken out of context and distorted.... What I actually said was: ‘But if though it cannot happen the Italian people should fall unhappy victim to the wiles of totalitarianism, totalitarianism of the right and the left, there would follow logically and tragically grave consequences for


this intimate and warm cooperation we now enjoy.²¹

“This is of course,” she pointed out to Jackson, “a fundamental premise of American policy.” She expressed hope that “we will win thru here in Italy because we must,” and expressed satisfaction that Henry Luce “has updated you [Jackson] already to this point.” She also wrote a seventeen-page memorandum, which Jackson praised as “superb,” about the recent Italian election. He passed it on to the President, who deemed it “very interesting and extremely well expressed.” Jackson told the President that Clare Luce’s memorandum was “an excellent job, and very interesting reading as well.”²²

Luce also sent her analyses of the new situation in Italy to Secretary of State Dulles. To make sure that her suggestions were going to be read, Luce advised Jackson to give her memorandum to the President as well. Luce argued that the United States’ failure to honor the 1948 Tripartite Declaration on Trieste and its support of Tito for strategic reasons had been used by both the Communists and the Right to reduce the Center coalition’s margin of victory. Her letter also echoed Christian Democrat De Gasperi’s opinion that an unfavorable American stance on Trieste contributed to his election losses:

[T]he issue of Trieste would certainly have been the decisive issue of the campaign…[but] Italy may yet be lost on the Trieste question. [De Gasperi’s] government required him to maintain that his Trieste policy was firmly based on the tripartite declaration.²³

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²¹ Luce also said that there was no suggestion among the reliable press operators that “What I said ‘hurt,’ and amusingly enough I received today a letter from Milan Chamber of Commerce to whom the speech was delivered, saying that most of its 600 members approved of it thoroughly.” “The Ambassador in Italy (Luce) to the Special Assistant to the President (Jackson),” June 18, 1953, FRUS, 1952-1954, 6:1612-13.
²² Ibid.; Jackson wrote to Luce: “Again, sincerest congratulations on a wonderful job, and needless to say I am always delighted to read such material.” “The Special Assistant to the President (Jackson) to the Ambassador in Italy (Luce),” July 6, 1953, FRUS, 1952-1954, 6:1622.
²³ “The Ambassador in Italy (Luce) to the Department of State,” June 21, 1953, FRUS, 1952-1954, 6:1614-16.
Luce asserted that “if this analysis of the lessons of this election is correct, and if we do ‘nothing about it,’ we risk imperiling our whole policy in Europe.” In this way, Luce proposed a policy that was impossible to implement. She did not realize that there was a great problem with honoring the Tripartite proposal, and that the United States and Great Britain could not give Zone B to Italy since it was under Yugoslav control. Luce failed to take into consideration that, as long as the Italian government had an uncompromising attitude regarding the Tripartite Declaration, all bilateral discussions and active negotiations would end in failure.24

Luce informed Jackson that failure to find a solution to Trieste would also influence US domestic politics. She emphasized that “Democrats could rightly claim that Republican policy was appeasing totalitarian dictatorship, selling Democracy down the river to the Commies,” and she explained that they would have a right to attack her and

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24 The memorandum that commented on Luce’s analysis of the recent Italian elections among other things stated that “[t]he great lesson of this election is that Italy is now slowly and steadily moving toward Kremlin...[therefore] [w]e must continue to express officially and publicly the correct view that De Gasperi’s party won the battle against communism, while striving to eradicate the contradictions in our foreign policy which resulted in such a close shave for his party.” “Memorandum by Walter K. Scott and Edward G. Platt of the Executive Secretariat to the Secretary of State,” June 25, 1953, FRUS, 1952-1954, 6:1618-20; Unger, Segulja, The Trieste Negotiations, 17. According to Rabel, Tripartite Proposal was “a blatantly opportunistic plot to gain a short-term advantage in the Cold War...it proved to be unnecessary and costly liability in the long run...it limited American freedom of action.” Rabel, Between East and West, 129-30. British Foreign Minister, Anthony Eden, also commented on the Tripartite Proposal in his memoirs saying that on March 20 the United Kingdom, France and the United States suggested that the whole of the Free Territory of Trieste, including Zone B, should go to Italy. As expected, the Tripartite Declaration was highly popular in Italy and contributed to a sweeping victory won by the Christian Democrats a month later, but “Juridically it did not mean so much, because any revision [of the Italian peace treaty] required the agreement of Soviet Russia, which would not be forthcoming. Later events cast doubts on the wisdom of the Western initiative. In the most tangled diplomatic problems it seldom pays to snatch a short-term advantage, especially if this limits...maneuver, as in this instance.” Anthony Eden, The Memoirs of Anthony Eden, Full Circle (Boston: Houghton Mifflin Company, 1960), 199.
the policy she represented if the administration lost Italy for NATO. She also told Cyrus Sulzberger, the prominent *New York Times* foreign correspondent:

> If Italy goes Communist, not only it will be disaster for the United States, but it will be an incredible political defeat for the Republican Party. It would make the loss of China look small by comparison. The loss of Italy would have a profound effect on Americans of Italian decent and on Catholics in the United States.25

To prevent that from happening, Luce proposed a change of three major contradictions in American foreign policy toward Italy: Trieste, immigration and trade.26 She argued that the United States’ task in Italy would become more difficult because the Italians were increasingly aware of these contradictions. The Communists would make greater gains in the future by emphasizing poverty and unemployment and they would stress the

25 Luce asked Jackson: “Do we then only know how to pursue dollar diplomacy? Must we always lose in the international field the minute sheer diplomacy is put to the test? If that is true, we may do better frankly to abandon world leadership and revert to isolation which will make much less strain on the purse of our people, and the brains of their leaders.” “The Ambassador in Italy (Luce) to the President’s Special Assistant (Jackson),” September 7, 1953, *FRUS, 1952-1954*, 8:265-66; Sulzberger, *A Long Row of Candles*, 977.

26 Luce argued that if either of the first two issues had been resolved in favor of Italy, De Gasperi would easily have gained a 50.1 percent majority. “Memorandum by Walter K. Scott and Edward G. Platt of the Executive Secretariat to the Secretary of State,” June 25, 1953, *FRUS, 1952-1954*, 6:1618-20. DeConde wrote that the Italians hoped for many concessions that American policymakers found difficult to grant. The Italian leaders hoped a higher quota for their people, and they objected to tariff barriers that prevented some of Italy’s characteristic products from freely entering the United States. At the same time, these tariffs hampered the operation of Italy’s own policy of liberalizing trade, making it difficult for it to pay her own way. Italy had a constant dollar deficit, which represented a dependence on the United States that many Italians questioned, especially as conditions improved. The Italians also objected to American immigration policies. The immigration law from 1952 eliminated race as a barrier to admittance, but did not balance the laws' damage to relations with many countries that felt its sting. In December 1953, the United States eased some of its immigration restrictions and decided to admit, for a limited time, special quotas of immigrants. For Italy, this meant 60,000 persons per year, with an additional 10,000 allocated for Trieste. For the Italians this was still not enough, as DeConde concluded, “in relation to the applications for entry that poured into American agencies, the Italians who now reached the United States were few.” DeConde, *Half Bitter, Half Sweet*, 301, 317-18.
fact that “America has curtailed aid for ‘normal and peaceful’ aspects of [the] Italian economy, but has stepped up aid for all ‘military and warlike’ efforts.” In addition, Luce complained that “Battle Act implementation which precluded Italy from trading ‘normally’ with the Soviet Bloc, coupled with the difficulties in trading with America.” Therefore, Luce pressured the State Department to find a diplomatic solution to Trieste, as well as a legislative solution to immigration and trade, “otherwise our investments in Italy may prove to have been in vain.”

Luce also argued that controversies over the American policy would in the future destroy all pro-American and pro-NATO forces in Europe. Instead, “the peaceful, co-existence, non-partisanship parties” would rise. She explained that American foreign policy between 1945-1948 largely coincided with the Italian basic self-interest. There was little criticism of American foreign policy in Italy during that period, but for many Europeans, including Italians, a divergence of interest began to manifest itself. This became especially obvious when “Italy became aware of US ‘unwillingness to honor the Tripartite Declaration,’ while giving increasing aid and support to Tito, the Yugoslav, the historic national enemy, and to Tito, the Communist, the avowed ‘common’ ideological enemy.” Luce wrote that public opinion in Italy was not willing to abandon NATO, EDC, and European integration policies, but thought that these institutions should be a more responsive instrument to Italian defense concepts and less an “American show.” She claimed further that Italian public opinion was aware of the contradictions between America’s interventionist military policies and its isolationist economic policies, between America’s ideological war against communism and totalitarianism and its support of the

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Communist dictator Tito, “the most consistently hated man in Italy,” and between America’s frequent assertion that it stood for moral leadership and its “refusal” to honor the Tripartite Agreement. Luce concluded, “If all, or part of these things could be accomplished, American popularity would be greatly restored.”

Luce seriously questioned the Eisenhower administration’s policy of supporting Tito. She wrote that if the Pentagon continued to be fascinated with Yugoslav divisions, the United States could lose Italy without which Yugoslavia could not long be supplied in battle. The United States needed its own foreign policy rather than following the British, who consistently supported Tito and tried to turn him into a West-European style socialist. Luce argued that on moral and spiritual grounds, no one could choose Tito, the Communist dictator, over a still democratic Italy. She also believed that “our failure since 1948, to settle a question which we have increasingly helped to complicate by our aid and support to Tito, has fortified the view in many chanceries that we are amateurs in diplomacy.” The State Department had not helped Italy sufficiently while assisting Tito’s regime in Belgrade.

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28 “The Ambassador in Italy (Luce) to the Department of State,” August 7, 1953, FRUS, 1952-1954, 6:1624-29.
29 “The Ambassador in Italy (Luce) to the Department of State,” June 21, 1953, FRUS, 1952-1954, 6:1615-16; “The Ambassador in Italy (Luce) to the President’s Special Assistant (Jackson),” September 7, 1953, FRUS, 1952-1954, 8:265. According to the Times the Western observers were fascinated with the Yugoslav troops: “In carrying this project [military maneuvers], the Yugoslav troops according to virtually everyone of the attending foreign observers displayed efficient use of weapons, good morale and exceedingly good training, while the officers appeared to have organized the demonstration to the very last detail.” New York Times, September 24, 1953. “Field Marshal Sir John Harding, Chief of Britain’s Imperial General Staff, said today Yugoslavia had the ‘makings of a powerful modern army’ and Maj. Gen. Charles Palmer, Chief of Staff of the United States Army field forces, declared the Yugoslav Army was handling well the heavy American equipment of guns, trucks and tanks it was receiving in aid.” Ibid., September 26, 1953.
Luce's criticism of the American policy toward Italy was echoed in *Time*, which argued that the failure to implement the 1948 declaration resulted in De Gasperi's fall, as "the Premier fully expected the promise to be kept." Since the Western powers were unable to do that, "Italy may refuse to join EDC, and may even withdraw from NATO, a step that would knock the foundations from under US strategy for a united, anti-Communist Western Europe." *Time* stated that the Western powers could no longer pretend that the Trieste problem would "simply blow away if no one looked." Their strategy regarding the Trieste issue hurt De Gasperi in the last elections, as the Italians understood that the Western pledge in 1948 was "no more than a cynical campaign trick." Although the Trieste problem was not the only reason the De Gasperi Government fell, "a favorable solution could be enough to forestall De Gasperi's fall, and Italy's drift from the West." *Time* asserted that since Tito needed more economic and military aid, the ingredients for the Trieste settlement existed "if Western diplomats find the will and the imagination" to cope with the problem.\(^3^0\)

Despite *Time's* arguments, American policymakers understood that the American national interest dictated helping both Italy and Yugoslavia economically and militarily. The goal of American foreign policy was to assist both countries in order to secure Europe against the Soviet Union. Some American policymakers argued that free world security depended on a united Europe, and a communist Yugoslavia oriented toward the West made the continent much safer. Continued assistance to Yugoslavia was part of an overall strategy of creating a strong collective security system against Soviet aggression in all parts of the world, including southeastern Europe. The establishment of this

\(^{30}\) *Time*, August 3, 1953.
important link in this part of Europe was the Yugoslav-Italian *rapprochement*. Therefore, it was in the United States’ direct interest to foster “the development of friendly relations between Yugoslavia and Italy.” The United States also understood that Tito recognized that he could not “expect from the West military and other guarantees he requires without reaching some form of *modus vivendi* with Italy.” Also, American officials were aware that Tito desired an early Trieste solution, but the one that “will not lead directly to his downfall,” and thought that the direct Italo-Yugoslav negotiations without American interference would bring a lasting solution.

Nevertheless, during the summer of 1953 Italy entered a prolonged period of political and ministerial instability. Following an unsuccessful attempt by Attilio Piccioni to form a government, another Christian Democrat, Giuseppe Pella, organized one on August 15. The Pella government was sworn in on August 17 and received votes of confidence in the Senate on August 23 and in the Chamber on August 24. Pella publicly stated that he considered his government a transitional one, “a mere stop gap,” and that he would “run a

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32 Walter Bedell Smith argued that “[i]n his efforts to maintain a middle position between East and West, and whatever his own ideological aspirations may be, Tito has been plagued by all of the traditions Yugoslav and Balkan foreign policy problems, including that posed by past and possibly present Italian aspirations in the Balkans. While the external manifestations are admittedly different due to the differing political systems, the ‘Italian problem’ is as politically important to Tito as the ‘Trieste problem’ is to the Italian Government. Were Tito to yield to what the Yugoslavs consider Italian efforts to regain a foothold in the Balkans, and particularly were he to do so under ostensible Western pressure, his posture as a Yugoslav patriot, and as the leader of a ‘national communist’ ideology able to hold its own between East and West, would be destroyed.” “The Acting Secretary of State to the Embassy in Italy,” May 25, 1953, *FRUS, 1952-1954*, 8:1349-53.
quiet caretaker government until the budget was passed.” Commenting on the new cabinet, the New York Times said, “Signor Pella has always been a firm supporter of the North Atlantic Treaty Organization, though...he has repeatedly insisted that rearmament efforts should not be so great as to bring about a danger of inflation.” The Times also cited Pella’s program speech in which he emphasized his loyalty to NATO and firm position “in the defense of Italian interests in Trieste.” In his speech in the Senate, Pella made clear that Italy would not ratify EDC until France had done so. He thanked “the United States for post-war aid, without which Italian economic reconstruction would not been possible,” but stressed that Italy expected from its partners in NATO “help in arriving at a satisfactory solution of the Trieste problems.”

The position of Pella’s government was weak and depended on right-wing support that would last as long as he satisfied their nationalistic ambitions. Therefore, Pella took an uncompromising stand on the FTT. Strongly worded rhetoric on the Trieste dispute poured out of Italy, and in the following months the Yugoslavs responded to the Italians with equally strong statements. Arguing that Trieste had “an absolute priority over all other Italian foreign matters,” the Pella government pressured the United States and Britain to support Italy by continuing to refuse to ratify the EDC treaty. Also toward the end of August, a crisis developed over Trieste that raised the possibility of a direct military confrontation between Italy and Yugoslavia. On August 28, the Yugoslav newspaper Politika called a speech by Prime Minister Pella “fresh proof of Italy’s

33 “Editorial Note,” FRUS, 1952-1954, 6:1630. Time wrote: “He [Pella] got the benevolent neutrality of Saragat’s Socialists on the left and the monarchist’s votes on the right, and thus won for his government a vote of confidence in the Senate and a surprising 100-vote majority in the Lower House.” Time, September 7, 1953.
unchanged, negative attitude” toward the solution of the Trieste question. The Yugoslav semi-official news agency Yugopress published this report arguing that as a result of the Italian policy, many Yugoslavs had become convinced that Yugoslavia’s attitude on the question should be “seriously re-examined.” The Italian leaders chose to interpret this Yugoslav reaction as a threat to annex Zone B and responded by sending troops to the frontier of the FTT. Prime Minister Pella threatened that Italy would attempt to occupy Zone A, and if the United States and Britain did not accept this move, he would resign, thereby jeopardizing Italy’s position in NATO. From the perspective of the West, which still awaited Italian ratification of the EDC, this was a problematic turn of events.35

_Time_ magazine reported that because of these events “Pella cancelled his plans for a vacation, summoned the diplomatic representatives of the US, Britain and France to tell them that Italy would not ‘stand idly by.’” This Yugoslav move, _Time_ asserted, was “a new campaign to best Italy in the postwar struggle for control of the beautiful old port city and the 287-square-mile Free Territory of Trieste that surrounds it.” _Time_ criticized the official Yugoslav newspaper _Borba_ for writing that “Italy is completely disqualified as a partner to whom it is worth making concessions.” According to _Time_, while Trieste was chiefly an issue of pride and internal prestige with Tito, to Italians it was an issue of deep and emotional nationalism, the one that “unites all Italians except the Communists (and even many of them).”36

36 _Time_, September 7, 14, 1953. On September 7, _Time_ declared that “the Yugoslav news agency announced that because of ‘the unconstructive attitude of Rome,’ Tito’s government was in a mood to do something about Trieste. This might mean that Tito
The New York Times reported that the Italian measures, described in the official circles as "precautionary," were the result of the publication by the Yugopress news agency "of what was taken to be in Rome a semi-official hint." Although some Italian officials thought that the Yugoslav report was only "a trial balloon," Pella "decided that it was unwise to take any chances," and that it was necessary to show the Yugoslavs that "Italy would react most energetically to any move against any part of the Free Territory." He also stated that the report by Yugopress was not the only "threatening symptom" that Italy had seen in recent weeks, but that "speeches and newspaper articles" also caused uneasiness in Italy. A day later the Times reported from Belgrade that the Yugoslavs denied they intended to annex Zone B and declared, "that the announcement of an impending revision in Trieste policy had been misinterpreted." They accused the Italians of seeking "to create a 'war atmosphere,'" described the Italian press comments as "a deliberate provocation," and threatened to bring the problem before the "international forum" if Italy did not cease "her alleged demonstrations at the Yugoslav frontier."

A State Department spokesman, according to the Times, expressed the official United States stand that there appeared to be "small prospect of armed conflict over the disputed area." The spokesperson stated that there was every confidence that "the two disputing

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plans to annex the Yugoslav occupied zone B of the Free Territory of Trieste, in which Italy was staked out sizable claims." Ibid., September 7, 1953.

37 New York Times, August 30, 31, September 2, 1953. The Times wrote: "The Belgrade radio accused Italy and the United States-British command of purposely 'infiltrating' Italian border areas with [the] Italians to 'denationalize' them of their Slovene character.... These military measures [Italian troop movements] ...were the 'post-war culmination of the hostile policy toward the Federal People's Republic of Yugoslavia that has been conducted for a long time by this (Italian) government.'" Ibid., September 2, 1953.
governments would work out their difficulties through deliberation and compromise.”

However, the *New York Times* perceived the events of the Trieste dispute differently than the officials in Washington. The *Times* foreign correspondent Cyrus Sulzberger argued that recent events revealed the frailty of the Western alliance. He explained: “defensively, the Southeast European area is of vast importance to [western] Allied planning. It controls access to the Danube Valley, the Turkish Straits, the Monastir Gap pass into Greece and Ljubljana Gap entrance to Italy.” Because Italian-Yugoslav relations had gone from bad to worse, “the political state of the Atlantic alliance’s Eastern flank is by no means on a parity with its proper military potential.” For this situation he blamed the Western powers, as they promised Italy all of the FTT but were not able “to do anything about it.” The Italians warned about their doubtful support of NATO if Pella fell and some other party came to power, and according to Sulzberger, “this is a gloomy, but not illogical prospect.” The article also stated that every power interested directly in the Trieste dispute “finds it currently more convenient to keep that subject’s embarrassing skeleton locked firmly in the Council cupboard.”

Luce monitored this new situation. Her perceptions of the seriousness of the crisis were heightened by a meeting with Pella in which the prime minister told her that the “settlement of Trieste question overshadows any other problem in Italian policy.” By chance, Secretary of State Dulles stated in a press conference on the same day that the United States was exploring alternative policies on Trieste. He also said that he was

38 “Department spokesman declined to comment on the allegation broadcast over a Yugoslav radio that the United States, and British military authorities in Trieste were helping Italy get what she wanted. Neither was there comment on Italian charges that Marshal Tito, President of Yugoslavia, planned to annex the Zone of Trieste he occupies.” *New York Times*, September 1, 1953.

open-minded about the different possibilities, "although none of them has yet been made official." He explained that the United States "did not put the 1948 declaration in the class of laws of the Medes and Persians, which stand forever." His statement served to "throw the Italian foreign Ministry into confusion" and caused a furor in Italy.40

Despite their optimistic interpretation of Dulles's words, official circles, according to the New York Times, felt that "they have been dealt a tremendous blow." Although they understood that it was perhaps unintentional, they were bitter that it came from the Untied States "on whose support they thought they could count." They deemed this treatment "completely undeserved" because Italy was always loyal to the United States, always followed its lead and never made any trouble. The official stand was reflected in the Italian newspapers that wrote, "Italy has kept her commitments for world freedom. She considers them graven in stone like the laws of [the] Medes and Persians. She has a

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40 New York Times, September 4, 1953. Luce wrote that "Pella stated that he could agree to any foreign policy measure facilities agreements, [the] EDC, NATO commitments et cetera if satisfactory settlement were reached concerning Trieste. If it is not settled, [the] US will experience 'the daily fatigue and frustration' of dealing with problems of mutual interest." "The Ambassador in Italy (Luce) to the Department of State," September 4, 1953, FRUS, 1952-1954, 8:248-50. In another telegram Luce reported her conversation with the Italian Under Secretary Benvenutti in which he pointed out that "[the] consequences of [the] statement if unclarified and uncorrected would be as follows: (a) incitement of Tito to proclaim on Sunday he was following realistic lead of [the] USA in making new claims in [the] Trieste question; (b) consequent heightening of Trieste tension; (c) solidifying of anti-American, anti-Western sentiment in Italy, which could result in: (1) [the] abandonment of pro-Western, pro-NATO Italian foreign policy, (2) rapid growth of power of extremist political elements in Italy, (3) [the] fall of [the] Pella Government when Parliament reassembles....He urgently pleaded for immediate favorable clarification by [the] Secretary of his statement, in direction of [the] reiteration of adherence to [the] 'spirit of tripartite declaration,' especially [the] fundamental principles concerning [the] ethnical and historical claims of Italy." Luce concluded that the "[p]lain fact of [the] matter is that none of above estimates of Italian public reaction is greatly exaggerated and that failure (a) to clarify [the] Secretary's statement immediately, (b) seek rapid solution of [the] question," would damage current American policy in Europe. "The Ambassador in Italy (Luce) to the Department of State," September 4, 1953, FRUS, 1952-1954, 8:250-52.
right to remind her friends that their commitments also must be unalterable.” Some “more hysterical” newspapers went so far to make comparisons between Italy’s and Yugoslavia’s military strength as though war between the two was imminent.  

_Times_ reported that recent events could cause Italy to boycott NATO. It wrote that Dulles’s statement took place “at the most indelicate moment possible,” and quoted Rome’s conservative _Il Tempo_, which wrote, “This sets off irreparably from the U. S. a block of 47 million inhabitants of one of the most civilized countries in the world...and opens the rosier horizons for Malenkov and Togliatti.” _Time_ as usual criticized American policy toward Trieste, warning that “unless the Western powers replace their lassitude and ineptitude about Trieste with some diplomacy, they stand in great danger of losing Italy as a firm friend and cold-war ally.”

The Italian Foreign Office informed Luce that failure to clarify the Secretary’s statement would heighten tension over Trieste, increase anti-American sentiment in Italy, and possibly trigger the fall of the Pella government. Luce accepted this “estimate of Italian public reaction.” She warned the State Department that failure to find a “rapid solution of the question, will result in great harm to USA-Italian relations and prolong tension that will endanger not only the future of a moderate pro-American government in Italy, but might crack wide open NATO system in Europe.”

Desperate to get some action, Luce sought to use her high-level contacts in the Eisenhower administration. She first personally telephoned Dulles telling him how serious the Trieste situation was, and then wrote a few days later her understanding of the

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_42_ _Time_, September 14, 1953.

current situation to the State Department and to Jackson. Luce emphasized that the
danger in Rome was not exaggerated and expressed the wish that Dulles would have “a
good look at it himself.” She successfully prompted Dulles to reassure the Italians that
the American policy of returning Trieste to Italy had not changed. Dulles publicly
stressed to Mario Luciolli, minister and charge d’affaires of the Rome diplomatic
mission, “the cordial friendship, allegiance and solidarity of the democratic nations.”^44
The New York Times wrote that the atmosphere between Italy and the United States
improved after Luce’s long conversation with Pella. The Times also believed that Luce
gave Pella the text of the remarks on the Trieste situation and “was able to assure Signor
Pella that the Italian deductions drawn from them were exaggerated and that no
fundamental change in United States policy on Trieste has taken place.”^45

Luce continued to write to the State Department proposing policies that should
demonstrate Italy’s importance to the United States. She indicated that the least the
United States government could do for Italy was to allow it to annex Zone A. She
concluded that this “current situation regarding Trieste may logically develop in such
manner...[so] that [the] Italian Government could accept a Zone A-Zone B split without
imposing upon us [the] necessity of supporting further Italian claims.”^46 Luce ar\ldquo;\ldquo;d for
a solution that was realistic. She comprehended that the division of the zones, and the
return of Zone A to Italy would strengthen Pella’s government and put it on an equal
basis with the Yugoslavs. This suggests that Luce understood that the best solution for

^44 “Memorandum of Telephone Conversation Between the President and the Secretary of
State,” September 5, 1953, FRUS, 1952-1954, 8:258-59; Rabel, Between East and West,
^45 New York Times, September 6, 1953.
^46 “The Ambassador in Italy (Luce) to the Department of State,” September 5, 1953,
the Trieste problem was zonal division of the FTT, not the Tripartite Declaration.

Although, this was a realistic proposal, the way it was put in place produced a serious crisis that threatened to become an armed conflict rather than the possibility for direct negotiations.

In the meantime, Yugoslavia rejected proposals for plebiscite and division along current zonal lines.⁴⁷ The Yugoslavs stated that they had no need to annex Zone B because they were already there. They proposed internationalization of the city of Trieste and cession to Yugoslavia of all the FTT around the port city. Tito, on September 6, explicitly stated that: “Pella is wrong if he believes that he is going to achieve something in this way...possibly grab Zone A. We can frankly say before the whole world ‘no’, we will not allow the occupation of Zone A.”⁴⁸ Italian circles believed that Tito’s speech was “intemperate and extremely intransigent and that this has made direct negotiations extremely difficult if not impossible.” The Italians hoped that at least the recent events had awakened the Western powers “to the explosive nature of the question and taught them that they must bestir themselves to get it out of the way as soon as possible.” The Italians also argued that with this stand, Tito proved what they had been saying for years: that he behaved in Zone B of the FTT not as an administrator, but as a “master.” The

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⁴⁷ *New York Times*, September 14, 29, 1953. The *Times* reported that “Yugoslavia formally rejected today a proposal by Italy for a plebiscite....In replying to the Italian note, the Yugoslavs stressed they could not consider a plebiscite unless concrete measures were undertaken to ameliorate ‘denationalization’ of the Trieste area caused by the alleged discrimination against the Slovenes and the Croats.” Ibid., September 29, 1953; Novak, *Trieste, 1941-1954*, 427.

Italian press of all political opinions also criticized violently the Yugoslav stand using words like “overbearing” and “insolent.”

Tito ridiculed and denounced the Italian Government in Rome. He stated that his speech responded to “the Italian plans to prepare for the annexation of Zone A and [their intention] to see what Yugoslavia would do about it.” Italians were warned that Yugoslavia was “not going to send troops to the border but Yugoslav troops can get there ‘in due time’ if necessary.” Tito explained the reasons Yugoslavia was alert to the Italian moves. Yugoslavia had had “bad experiences” with the West on the Trieste dispute as result of the 1948 United States-British-French declaration “calling for restoration of the entire Free Territory to Italy and the London agreement of 1951 by which Italy joined in administering Zone A.” He called on the Western powers to “be objective, and not pour oil on fire.”

Despite these Yugoslav warnings, Luce continued to write in favor of the Italian side and as the Trieste situation “progressively worsened,” she explained to Jackson in detail why an adverse outcome of the Trieste question for Italy would also be a moral, diplomatic, strategic and political blow for the United States. She believed that there could be a solution to Trieste by which the United States would lose neither Italy’s pro-American government nor the help of Yugoslavia’s divisions in case of war with the Soviets. The United States had to act fast and find a solution acceptable for both countries. Although, Luce stated that it was possible for the United States to satisfy both countries, her proposal to Jackson was one-sided. She emphasized only the importance of

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Italy, and underestimated the value of Yugoslavia for the United States. Among other things she wrote:

The loss of Italian friendship for the U.S. which must inevitably follow an adverse decision for Italy on Trieste, would divest Eisenhower's foreign policy of much moral coherence.... To win a weak Italy in 1948 with a promise we refuse to live up to, ...[and] to lose a stronger Italy in 1953, when as is now happening the chips are being put down.^[1]

In another memorandum Luce wrote to Jackson, she appended an intriguing note for Eisenhower's information. She penned this note in June after the Italian elections but had not sent it, she said, because "the Korean pot was boiling, and I felt it was one thing more to harass the President. I wish I had sent it." Luce believed her evaluation in verse was now even more valid and she wrote that her estimate was:

A brief if unorthodoxly phrased estimate of the situation in Italy, based on the assumption that nothing ever will be done to bring about a satisfactory solution to the Trieste question:

For the want of Trieste, an Issue was lost.
For the want of and Issue, the Election was lost.
For the want of the Election, DeGasperi was lost.
For the want of DeGasperi, his NATO policies were lost.
For the want of his NATO policies, Italy was lost.
For the want of Italy, Europe was lost.
For the want of Europe, America...?
And all for the want of a two-penny town.^[2]

This assessment was "extreme and somewhat farfetched" even given the assumption that ambassadors tend to sympathize with the interests of the country where they are serving. Still, Luce's admonitions did have some impact in Washington. In late

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^[1] Luce argued that "however great a case the Pentagon can make for Tito's divisions in the event of war with the Kremlin, a greater case can be made for the wisdom of not letting Italy check out of NATO." "The Ambassador in Italy (Luce) to the President's Special Assistant (Jackson)," September 7, 1953, *FRUS, 1952-1954*, 8:264-66.

September, as Italo-Yugoslav tensions remained high, Jackson passed on Luce’s message and a memorandum to the president backing her arguments:

I am sure that you agree that the solution of the Trieste problem rates the very highest priority. The situation, which in 1948 was soluble very easily, has already steadily deteriorated since then and is going to deteriorate still further as the months go by. Necessary, as it is to remain on working terms with Tito, I doubt if by any stretch of the imagination a Trieste solution which didn’t give Tito everything he had asked for would drive him back into the arms of Moscow or into war with Italy. I personally don’t think that the prospect of Tito’s temporary anger and/or threats stocks up against the prospect of losing Italy, which is very conceivable if the Trieste solution does not include giving Italy Zone A, including the town of Trieste.53

Jackson noted that high-level policymakers appreciated the urgency of the situation, and he suggested that the President discuss the matter with Dulles and set a deadline for the State Department to bring about a solution. Jackson included a copy of Luce’s poem in the memorandum. Eisenhower wrote in his memoirs that a short verse of Clare Boothe Luce “may have been a little overdrawn, but it held considerable truth.” He passed on the memorandum to the Secretary of State querying, “what are we doing about the Trieste affair? Ever since I returned to Europe in January of ’50, I have been expecting some kind of solution within the month.” Dulles replied that “we are pushing this vigorously and I would not yet give up hope that it may be settled ‘within the month.’”54

53 “Memorandum by the President’s Special Assistant (Jackson) to the President,” September 29, 1953, FRUS, 1952-1954, 8:281; Rabel, Between East and West, 149-50. 54 “The President to the Secretary of State,” September 30, 1953, FRUS, 1952-1954, 8:282. In another memorandum on October 1, 1953, Dulles replied to the President Eisenhower saying, “As I think I said to you orally, it [Trieste] may be settled ‘within the month.’ I say this with more hope since this is the first day of the month.” October 1, 1953, FRUS 1952-1954, 8:282. The Secretary expressed on October 1, 1953, his personal concern over the Trieste crisis and the real need to take a constructive step at this point. During the secret consultations in Washington Dulles mentioned that “the President also had been following this problem and only the other day had addressed a personal note to the Secretary about it.” Dulles also quoted the permanent remarks of the President concerning “the urgency of action toward resolving this disturbing and critical Trieste problem.” “Memorandum of Conversation, by the Director of the Office of Western
After writing to the President, Jackson assured Luce that he agreed with her assessments of September 7 and promised to introduce her ideas "into the labyrinth immediately." He also said that Luce's "Estimate" from June 30 was going to be "an invaluable ally." According to Jackson, the problem with the Trieste crisis was more administrative than political, because all the top people agreed with the urgency of the problem. But it was difficult to translate that into whole-hearted actions at lower levels. Jackson optimistically promised to do everything he could to remind the others of the urgency of the Trieste problem and to settle the crisis within the next ninety days.²⁵

The American policymakers had good reason to be optimistic about the Trieste dispute. State Department officials had been consulting the British throughout September and were now proposing to London a variant of the plan for a Zone A-Zone B division that the British themselves had advocated since 1952. After British foreign minister Anthony Eden visited Tito in Belgrade, he reported that Tito and Edvard Kardelj, the Yugoslav vice-premier, "both agreed that they would acquiesce in the permanency of the present division between zones provided that it was pressed upon them by others. Tito

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²⁵ Jackson also wrote to Luce: "It's absolutely fantastic the way we have managed to get ourselves stuck with all the wrong words and images. Being for peace, we continue to use 'war' and 'warfare' in connection with all our activities, psychological and other;... As to Trieste, I couldn't agree with you more. This whole sorry, long-drawn-out, downhill performance is a perfect illustration of routine thinking by a lot of people who will go to any lengths in order to avoid facing up to a problem. It is strictly out of the 'let the dust settle' department, in spite of the fact that even a double-yoke egghead should know by now that the dust never settles by itself, but invariably develops into a twister.... I will do everything I possibly can to remind the others of this fact forcefully and frequently."

"The President's Special Assistant (Jackson) to the Ambassador in Italy (Luce)," October 2, 1953, FRUS, 1952-1954, 8:288-89.

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would not and could not volunteer this solution.”\textsuperscript{56} Eden had the impression that if it appeared to the Yugoslav public to be forced on Yugoslavia, Tito would accept the division of the FTT along current boundaries. The State Department followed Eden’s advice that in order to resolve this situation the division of the FTT and “vigorous intervention” was essential. Despite objections from both the American and the British embassies in Belgrade, the State Department believed such a move was necessitated by the persistent failure of the Italo-Yugoslav negotiations and by the recent tensions. Dulles wrote to Livingston Merchant, Assistant Secretary of State for European Affairs, that the President endorsed a Zone A-Zone B solution and suggested “the possibility be explored that we might get Yugoslavia and Italy to agree upon some form of arbitration by the US-UK-France, and perhaps Western Germany, with the knowledge of both sides in advance that a Zone A-Zone B system would be adopted.” Eisenhower expressed his preference for some form of partition of the FTT in the conversation with Secretary Dulles. Eisenhower, however, felt that it would be impossible to amend the Italian peace treaty of 1947 to achieve partition because the Soviet Union would block such an amendment. He recalled that it had seemed at that time that the solution of the Trieste issue lay in some informal device to recognize and make permanent the existing boundaries between Zone A and B.\textsuperscript{57}

\textsuperscript{56} Eden, \textit{Full Circle}, 201.
\textsuperscript{57} “Memorandum by the Secretary of State to the Assistant Secretary of State for European Affairs (Merchant),” September 8, 1953, \textit{FRUS, 1952-1954}, 8:267-68; Eisenhower, \textit{Mandate For Change}, 413. Eden wrote: “These discussions with the Yugoslavs convinced me that if there was ever to be a solution of the Trieste problem, it would have to be imposed, after being carefully prepared. Neither side could take the political risk of accepting a proposal from the other. But if the United States and the United Kingdom were to declare that they regarded the zonal boundary as permanent and hand over the administration of Zone A to Italy, there was a chance that the shock would
In her telegram to the State Department, Luce reported her conversation with Pella and again emphasized that the solution of the Trieste question was necessary for the future of Italy’s Atlantic policy. Pella believed that the question had to be resolved “in accordance with the premises and principle of the March 20 declaration,” and “on an equal basis” by which he meant total occupation of Zone A. Luce argued that the Italian occupation of Zone A must precede any future conference that the allied powers organized between Italy and Yugoslavia. The failure to find a quick solution would create intense difficulties for Pella in Parliament, and possibly lead toward an anti-Allied policy that would deleteriously affect the entire Western system. The State Department replied to Luce that a series of steps had been considered to acquire for Italy the “equality” Pella so strongly desired. The State Department expressed its entire agreement with Luce’s views regarding the urgency of putting the plan into action. These documents, as well as later interviews from major participants, reveal that Luce strongly influenced subsequent events and that her role in the Trieste issue was crucial.58

On September 11, Dulles suggested a preliminary proposal for the solution of the Trieste problem, by the beginning of October, it became the final one. Dulles explained that the present tensions created a situation in which a solution to the Trieste issue might eventually produce a reluctant agreement between the two protagonists.” Eden, Full Circle, 202-3, 205.

58 “The Ambassador in Italy (Luce) to the Department of State,” September 9, 1953, FRUS, 1952-1954, 8:270-72. The Department of State wrote to Luce that “a series of steps was being considered designed to accomplish for Italy the ‘equality,’...[t]he Department suggested that Luce, at her discretion, discuss in utmost secrecy with Pella the fact that the Department was considering a way in which Italy could be given equality with Yugoslavia in the Trieste matter.” Ibid. Thompson, American negotiator, said in 1971 that Luce was instrumental in getting the process started. He said: “that was really almost her only role, but it was important one.” Campbell, Successful Negotiation, 24-25, 36-37.
be achieved along Zone A and B lines. This solution could “relieve [the] US, UK, and France of present embarrassing responsibilities and commitments, and ultimately pave the way for that collaboration in mutual defense for the portion of Europe which... is essential in common interest of West.” Dulles suggested that the Department’s thinking was conditioned on one hand by Italian suggestions that under certain circumstances that government could live with a *de facto* Zone A-B solution. On the other hand, he implied that the United States believed that

a) [the] recent Tito position [was] made primarily for bargaining purposes, b) [the] single most important factor in Yugoslav foreign policy today is [the] necessity [to] progress further with military cooperation with [the] West,...[and] c) Tito [is] still basically willing to settle for [a] Zone A-B solution.  

All of these reasons suggested that a solution was possible and once Tito annexed Zone B, the US and UK would inform Pella that the United States and Great Britain would turn over administration of Zone A to Italy. Dulles also believed that this action should be a US and UK responsibility and that both countries should move bilaterally without the French “until such point as it would prove useful to include them.” This suggestion was problematic and later created a crisis, because Dulles was only predicting how the Yugoslavs would react without including them in the talks and plans about the division of the FTT.  

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60 Dulles pointed out in his telegram to the Embassy that “it is impractical to propose agreed partition to Yugoslavia at this time, that turning over Zone A to [the] Italians [is] highly dangerous and that [the] internationalization [of the] entire FTT [is the] best terrain to explore.” He continued: “We must take into account that internationalization would never, under any circumstances, be accepted by the Italians. We also regard it as impractical and dangerous. Moreover, the history of [the] secret negotiations between [the] Yugoslavs and [the] Italians has always indicated that Tito would settle for a Zone A- Zone B division.... It is believed that [the] plan outlined... avoids [the] risk.
Although Luce wanted the division of the FTT, she was not yet satisfied with the Secretary’s solution. She urged the State Department to include in the final proposal a statement noting the “provisional” character of the US and UK action. Luce noted that Pella emphasized “repeatedly [the] need for some [kind of] provisional character in our proposals that would make it possible for him to accept without being open to [the] charge that he had agreed in advance on a Zone A-Zone B settlement.” In another telegram, Luce stressed to the Department of State that:

We will now be imposing on [a] Pella definitive flat de facto Zone A-B solution which ...DeGasperi has consistently refused and Pella has publicly announced he will never accept. When [the] contents of official demarche become known they will be denounced by all parties here and there will follow [a] loss of prestige for [the] Pella government... [The] Embassy feels [the] imposition of this now plainly definite official plan will have painful consequences to our basic interest vis-à-vis Italy.61

While Clare Luce was pressuring the State Department to solve the Trieste impasse, Italian and Yugoslav officials were publicly and unsuccessfully proposing different solutions. The Yugoslavs rejected the Italian proposal for a plebiscite in the FTT that “would decide whether the area should go to either country.” They also rejected not only a five-power conference to discuss a plebiscite but also “any international conference on the Trieste dispute.” The Yugoslavs informed the Western powers of their “desire to envisioned by Belgrade and should be given a trial as [the] most promising constructive step at this juncture in a situation which is steadily deteriorating.” Ibid. There followed two weeks of intensive discussions involving the British and United States Governments and their respective representatives in Rome and Belgrade. In general, the United States officials continued to believe it possible to guide Italy and Yugoslavia into each annexing a zone. The British officials, while basically in agreement with the plan, were more skeptical of the chances for success. “Editorial Note,” FRUS, 1952-1954, 8:279-80; Rabel, Between East and West, 150-51.

61 “The Ambassador in Italy (Luce) to the Department of State,” October 7, 1953, FRUS, 1952-1954, 8:296-97; “The Ambassador in Italy (Luce) to the Department of State,” October 7, 1953, FRUS, 1952-1954, 8:297-98; “The Ambassador in Italy (Luce) to the Department of State,” October 8, 1953, FRUS, 1952-1954, 8:299-300.
bring Austria into the administration of the port city of Trieste under the internationalization plan,” and in that way, “introduced a new factor in the current dispute.” They also proposed new bilateral talks with Italy on the Trieste dispute. The vice president and former foreign minister Edvard Kardelj said, “It was not too late for such talks.” He pointed out that Yugoslavia would “prefer a direct Yugoslav-Italian agreement” to other processes for reaching an accord. Then he referred to the Tripartite declaration from 1948 and warned, “those in Rome must realize that no one has and no one can have the means to force Yugoslavia to accept a foreign dictate.” Italian official circles “saw no possible basis of an Italian-Yugoslav understanding on Trieste in the speech delivered by Kardelj.” They understood his offer more as “an effort to confuse the Trieste issue than as an honest effort to negotiate,” and were determined not to enter into the negotiations on the basis that Kardelj outlined.63

During September, there was no indication that Italy and Yugoslavia could find a satisfactory solution without Western interference. Some Italian newspapers began to speculate that “a new British plan for the partition of the Trieste Free Territory is under discussion in Western capitals.” The New York Times reported from an “unimpeachable Italian source” that it would be a matter of hours until “a joint United States-British-French step may furnish the basis for a solution of the Trieste problem.” The source revealed that the three powers would place Italy on terms of complete equality with Yugoslavia “by giving her precisely the same position in Zone A of the Free Territory of Trieste as Yugoslavia has in Zone B.” This source also suggested that this proposal was originally made by Clare Luce and stated, “the British were cold on the plan at first and it

was only Mrs. Luce's insistence that kept her suggestion from being discarded. Finally the plan was accepted by France and then by Britain." The State Department officials rejected this report and responded that "there had been no decision on any settlement proposal." They explained the recent consultations with the British and French as preparing "the ground for direct negotiations between the Italian and Yugoslav Governments."64

However, the British and Americans had secretly agreed, after long consideration of tactics and timing at the highest Government levels, to present Italy and Yugoslavia with a fait accompli by declaring that they had decided to withdraw their troops from Zone A and to allow Italy to take control of the area. On October 8, the United States and British governments announced publicly that the city of Trieste and the entire Zone A would be incorporated into Italy, as "the only practicable method of breaking the impasse between Italy and Yugoslavia on this question." They did not mention Zone B, nor did the allies attempt to allay predictable Yugoslav concerns regarding, for instance, protection of the Slav minority in Zone A or safeguards for Yugoslav economic interests in Trieste. One of the announcement's weakest points was American and British failure to declare the finality of the settlement.65

Nevertheless, from the Washington's perspective the solution appeared very promising. On October 8 the President himself stressed the issue's broader geopolitical and strategic implications: "Today... the British and American governments made public a previously agreed upon position with respect to Trieste." Secretary Dulles in a telegram

64 New York Times, October 7, 1953.
to Luce expressed his gratitude for "the skillful way in which you have handled the delicate and important program for Trieste." Dulles believed that the first reactions indicated that the operation would be successful and "we hope and believe that your handling of the matters will enhance our prestige in Italy." Luce thanked the Secretary for his message and replied, "The consequences of your Trieste decision must inevitably create difficulties elsewhere but I believe they will be overcome and be compensated for by increasing Italian cooperation with your European policies as the result of a great improvement in Italian-American relations."  

The *New York Times* commented that the US and British announcement was in direct contradiction to information made available earlier by the State Department. It complained that "both at a public news conference and in answer to private inquiries, United States officials disclaimed any knowledge of an impending decision on Trieste." Nevertheless, it reported the reasons for the announcement and the different reactions in Italy and Yugoslavia. The *Times* wrote that the United States and Britain thought their action would "contribute to the stabilization of a situation which has disturbed the Italo-Yugoslav relations during recent years." Several factors were seen as contributing to the announcement: "A threat loomed that the Italian parliament might refuse to ratify the EDC unless assured of an acceptable solution to the Trieste dispute; …and if a decision does 'stabilize' Italian-Yugoslav relations, as officials said it would, a conspicuously

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weak link in the chain of Western defense could be strengthened.” A secondary factor was also noted: “Britain’s desire to move those [3,000] troops elsewhere.”

The Italians, who could regain Zone A without having to renounce formally their claims to Zone B, greeted the step with joy and the Italian Foreign Ministry praised the “loyal attitude” of the United States and Britain. Premier Pella and his Cabinet expressed satisfaction over the developments and announced its intention of continuing to ‘defend Italian rights’ in Zone B of the Free Territory, which Yugoslavia occupies.”

The Italians believed that the announcement opened “a new phase in Italy’s efforts to regain Zone B which Italy regards as her rightful territory.” They considered the return of Zone A to Italy as “the first payment on the debt the United States, Britain and France contracted in 1948.” Thus, they stressed publicly the “provisional” nature of this settlement as a first step in implementing the Tripartite Proposal. Some Italian newspapers, according to the *Times*, “expressed gratitude to the United States and Ambassador Clare Boothe Luce, to whom authorship of the Allied plan is generally attributed.” Some of them, like *Corriere della Serra* of Milan claimed, “Perhaps never in the whole history has a great nation owed so much to so small, fragile and gentle a woman.” Premier Pella also thanked the United States for the Trieste move and even proposed a mixed committee to work out details of how Trieste and Zone A “were to change over from Allied to Italian administration.”

To Yugoslavia, the announcement came as a great surprise and was received with anger and dismay. It sparked mass demonstrations in Belgrade against the United States

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67 *New York Times*, October 8, 9, 1953.
and Britain. The Yugoslavs sent troops to Zone B and to the Italian frontier.\textsuperscript{69} The Yugoslavs were outraged that they had not been consulted and demanded that the decision on Trieste be reversed. The Yugoslav government stated that it “would fight the decision in the United Nations and protest to the United States and Britain.” The Yugoslavs argued that the American and British decision was a “violation of the Italian peace treaty of 1947, and warned that the move would increase tension between Italy and Yugoslavia and that Belgrade would not bear the ‘historical responsibility’” for that. They also stated that the announcement was a unilateral decision that “would merely encourage Italian imperialism.” The \textit{Times} reported that crowds of the Yugoslav demonstrators “smashed windows at the United States and British embassies and the Italian Legation,” and that communist leaders organized parades “composed largely of youths, some policemen, and soldiers, and many children.” They “were singing songs in praise of Marshal Tito and shouting patriotic slogans, including ‘Trieste is ours.’”\textsuperscript{70}

The Yugoslav reaction derived from the wounded pride of Tito and the Yugoslav people. The Yugoslavs regarded these unilateral decisions as an inheritance of the imperialistic policy of the great powers, which had been determining the destiny of smaller nations without consulting them. Moreover, they were more hurt because the settlement was not final and did not say anything about the future of Zone B and the protection of the Slovenian minority in Zone A. In his speech at Leskovac on October 10, Tito pointed out these factors and reaffirmed his previous position declaring, “he would

\textsuperscript{69} Novak, \textit{Trieste, 1941-1954}, 430. On October 10, “Yugoslavia moved armed reinforcements into Zone B” but their numbers “was not disclosed.” The \textit{Times} also stated that “Under the occupation agreement Yugoslavia was allowed to have 5,000 troops in Zone B, but it has been estimated that her forces there were not at full strength.” \textit{New York Times}, October 11, 1953.

\textsuperscript{70} \textit{New York Times}, October 10, 11, 1953.
regard any entry by [the] Italian troops into Zone A as an act of aggression against Yugoslavia.” Tito made clear that the moment Italy entered Zone A, Yugoslavia would follow, and warned that he would “use every means to protect [the] Yugoslav rights, ‘including armed forces.’” He also said that the Yugoslav patience had come to an end and that the nation “was going into action.” If the Allies did not accept his demands, “that means that they do not want our friendship, that they do not respect our interests but that they want to satisfy Italian imperialism.” As far as the Yugoslav dependence on the Western aid was concerned, he emphasized, “his people had their pride,” and although they were grateful for it, they could not sell their “blood-soaked” country for aid. Tito vowed to “refuse aid if this is the situation,” and proclaimed to the West: “Here we are with an outstretched hand if you want a proud nation for a friend. This act has thrown doubts in our hearts. Correct it before it is too late, otherwise it may never be corrected.”

Tito asserted that the Italian leaders under fascism “were ‘not much worse’ than the present leaders in Rome.” Several times he referred to the Italian aggression of the past and related it to Pella’s assurance to parliament that Italy’s claims on Zone B would not be renounced. In his other speech in Skoplje Tito declared, “Today they [the Italians] want Istria and Trieste. Their hands are too short. Today there is another Yugoslavia, which has the strength and energy to oppose Italian expansionism.” And he repeated that at the moment an Italian soldier put his foot in Zone A, “we will enter it.”

The New York Times sharply criticized all sides involved in the conflict. Tito was castigated for denouncing the American and British decision because he “began to reverse his bargaining position, and raised his price considerably.” The previous year, the Times argued, Tito had reached a private agreement with the British foreign minister Anthony Eden “on temporary Italian rule of Zone A and was eager to get a commitment from Britain to defend Yugoslavia if that communist country should be attacked by the Soviet Union or its satellites.” According to the British sources, Tito was realistic then, but after the Italian June elections, the New York Times continued, he changed his position and wanted the internationalization of the FTT on a permanent basis.73

The Times also criticized the way the Americans and British handled the October 8 decision. It reported that some diplomats “thought it was a mistake for the United States to imply, as it has been doing, that the present ‘settlement’ was a brainchild of Mrs. Clare Boothe Luce.” The Times argued that this mistake had temporarily increased her popularity, but there would be an adverse reaction “when the Italians realize that the plan will ultimately mean effective partition of the Free Territory, with Zone B remaining Yugoslav.” The method and timing were “unfortunate,” as was the Western failure “to give Yugoslavia explicit guarantees that Rome would never again be permitted to take an active interest in Albania,” Yugoslavia’s southern neighbor. The Times argued that despite Italy’s formal renunciation of any claims in Albania in a 1947 peace treaty, it was “an open secret that Italy’s secret service have retained Albanian contacts.” And what

73 Ibid., October 9, 1953.
was for the *Times* even more disturbing in the whole Trieste dispute was "to observe both Yugoslavia and Italy claiming Trieste when neither can support the city."  

As the situation grew increasingly dangerous, there was a chance that Anglo-American forces might be involved in a new military conflict. The Italian and Yugoslav armies faced each other, with about fifty thousand soldiers lined up along the border. The Trieste pot was boiling, to use Luce's metaphor. The Italian official circles had "a serious view of the situation," and Rome pointed out that "if Marshal Tito means what he says, war is likely to break out in Zone A if the Italians take it over in accordance with decisions of Washington and London." However, they still believed that the Western powers would not allow Tito "to start a private war of his own against Italy."  

Most American policymakers doubted that Yugoslavia would employ force in the dispute over the transfer of Zone A to Italy, although they were aware that the "Yugoslav Communist leaders have never been prepared to sacrifice major political objectives for [an] economic advantage." They also understood that because of his strong stand on the Trieste dispute, Tito received unanimous support "from his worst enemies" for the first time since he came to power, and created an "extraordinary outburst of anti-Western feeling." Some analysts urged that the United States aid could be cut off if Tito did not "demonstrate self-control," because "Yugoslavia needs the United States more than it needs her." They emphasized Yugoslav responsibility for future American-Yugoslav relations arguing that the Yugoslav leaders would determine whether they want

To sacrifice their long-range political objectives in the Balkans for the economic, financial, military and political support they have been receiving from the United

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74 Ibid., October, 17, 1953.
States government or whether they are to sacrifice American support and go it alone as best as they can...in pursuing the principal objectives in their foreign policy.76

Because of the possibility of armed conflict, the Anglo-American powers decided not to withdraw their troops from Zone A. Interestingly enough, the United States and Britain faced the very situation they had hoped to avoid by issuing their statement of October 8. Dulles believed that the United States and the United Kingdom had taken an action they considered to be acceptable to Yugoslavia and designed to solve a troublesome problem. Nevertheless, the October crisis forced the US and British to come up with a solution that set in motion the process leading to a final settlement through a negotiated compromise.77

One of the direct consequences of the October 8 decision that the United States and Britain had to face immediately was the Soviet protest against the announcement. Moreover, on October 12, the Soviets sent a note to the governments of the United States and Britain that further complicated the matters. According to the note, the October 8 decision represented “a gross violation of the conditions of the peace treaty with Italy relating to the setting up of a Free Territory of Trieste.” The Soviets also said that the partition of the FTT was “incompatible with the tasks of maintaining peace and security and can provoke only new complications in that part of Europe.” They concluded, “the facts show that the latest violation by the Governments of [the] U. S. and Britain of the peace treaty with Italy inevitably leads to increased friction in international relations,” and argued that the entire responsibility for the consequence of this “flagrant” violation rested on the United States and Britain.78 The Soviet Union raised the Trieste question in the United Nations Security Council by demanding the establishment of the FTT as

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77 Rabel, Between East and West, 152.
specified in the permanent statute, but this time they posed as governor a Swiss candidate whom Britain had originally nominated in 1947. Despite their differences, the Italian and Yugoslav governments had one thing in common: "they both opposed the establishment of an FTT." Hence, the Western powers could represent both interested states by refusing the Soviet proposal and postponing the discussion in the United Nations.79

On October 12 the Yugoslavs called for a four-power conference involving the United States, the United Kingdom, Italy and Yugoslavia to consider the Trieste matter. The Western powers were pleased with the Yugoslav proposal to convene a four-power conference, and most American policymakers agreed that it was better to proceed with plans to arrange a conference than to refer the matter to the United Nations. Secretary Dulles said that seeking a United Nation solution was an undesirable alternative to be used only as a last resort "to save our own faces were we to admit defeat."80

Several obstacles stood in the way of serious four power discussions on the future of the FTT. Yugoslavia responded that it would participate only if the announcement of

79 Rabel, Between East and West, 153; New York Times, October 14, 1953.
80 Rabel, Between East and West, 152-53. In a memorandum Durward Sandifer wrote to Dulles, he stated that "In recent years the subject of Trieste has been handled outside the United Nations, rather than in it, and we have for various reasons allowed the solution envisaged in the Italian Peace Treaty of the Free Territory of Trieste to fall into abeyance." "Memorandum by the Deputy Assistant Secretary of State for United Nations Affairs (Sandifer) to the Secretary of State," October 26, 1953, FRUS, 1952-1954, 8:327-28. In a memorandum of October 28 to Merchant, Secretary Dulles said he had seen text commenting on the possibility of bringing the Trieste matter to the United Nations. The Secretary noted that he disapproved of this course of action, but he said it was "barely possible that there would be merit in suggesting a peace observation commission in Trieste which would report on the use of force in violation of Article 2." Dulles stated his assumption that the Soviet Union would veto such a proposal in the Security Council unless it were a member of the commission, which was something the United States could not permit. On November 4, when the Trieste issue was to be discussed in the Security Council, the United States, the United Kingdom, and France supported a motion by Columbia to postpone debate on the issue again. Only the Soviet Union voted against this motion. Ibid., 8:328.
October 8 was not carried out. Italy accepted the proposal for the conference but added two conditions. It insisted that the announcement of October 8 had to be put into effect before any conference could take place, and it sought to include France in the conference. Pella explained that Italy was willing to participate in a five-power conference if it were “placed on a footing of perfect equality with Yugoslavia.” That could be achieved only by “handling over the administration of Zone A to Italy or by Yugoslav withdrawal from Zone B.” If the United States and Britain decided not to proceed with the October 8 decision, that would be an “unparalleled mistake” and would be exploited by parties of the extreme left and right, making it impossible to ratify the EDC treaty. Pella even threatened to resign if the Western powers “attempt to appease Marshal Tito.” Despite these objections, the Western powers insisted that Italy and Yugoslavia join the United States, Britain and France in a five-power conference “to explore the possibilities of a compromise solution of the Trieste problem.” For the Italians this was proof that “three foreign ministers clearly show that they have allowed themselves to be frightened by the threatening speeches of Marshal Tito.” They argued that the allies would not carry out their declaration for October 8, because the question when Italian troops would move into Zone A was still “up in the air.” Commenting on this situation Time wrote, “it was not Tito’s threats that worried Italian leaders so much as the possibility that the Western powers would be influenced into delaying or even altering their decision.”

As the weeks passed with no action taken on the October 8 decision, Italian public opinion turned anti-American and anti-British. Again, Luce engaged herself in alarming

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83 New York Times, October 20, 1953; Time, November 2, 1953.
Washington officials about the Trieste situation. According to Luce, the Anglo-American delay was perceived as an “attempt to by-pass the implementation of the October 8 decision, in order to save Tito’s face.” Luce confronted Dulles: “I cannot believe that the U.S. seriously intends to back-pack, weasel, welch, renege or since the Department prefers the euphemism to- ‘finesse’ its decision to proceed with the transfer (however slowly) of Zone A.... What price [has] Tito’s face if America loses face in the eyes of whole Europe?” Dulles replied that she could count on his strong support while praising the fine work that she was doing in Rome “to help resolve the impasse that has arisen.” He also wrote that he was confident that “we shall see our way through this successfully.”

On October 20, Dulles declared that the Untied States and Britain would honor their decision to turn over Zone A of Trieste to Italy, but that there was “no timetable for withdrawing occupation forces, and no date has been set either for beginning an evacuation.” Dulles also emphasized, “it was a common view that a five power conference on Trieste could be ‘useful step in putting the Trieste matter into its proper perspective.'” He repeated that Italy would take part in the conference only “on condition of parity with Yugoslavia.” Because the United States had to build up a solid defense against communism in all of southern Europe, Dulles concluded, the Trieste dispute between Italy and Yugoslavia, which affected these plans, had to be settled as soon as possible.

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84 “The Ambassador in Italy (Luce) to the Secretary of State,” October 27, 1953, FRUS, 1952-1954, 8:329-31; “The Secretary of State to the Ambassador in Italy (Luce),” November 19, 1953, FRUS, 1952-1954, 6:1639.
That was also the conclusion of the 167th NSC meeting and of the Memorandum of conversation from October 22. Eisenhower described the importance of the solution in terms of the European political and military situation. He said that this area in Southern Europe represented the American weak flank and that any present defense of Italy itself was made extremely difficult. He pointed out "it was this European situation and the defense problem that caused us to make this desperate effort to get these countries on the same side of the fence. Our only hope in getting them together rested on a solution of this Trieste problem." The New York Times commented in the same tone that the Trieste problem "is continuing to produce nothing but trouble for everyone concerned," because the EDC in Italy was not yet ratified.

Luce was aware of these factors and sent a memorandum to the President providing a number of recommendations regarding the United States policy toward Italy, but without explaining what Italy would do itself to change the current situation. Luce considered the situation in Italy "in a state of acute crisis," and indicated that urgent sums of monetary aid were needed to give the center parties time to reform their ranks, regain prestige, and initiate vote-getting programs. Given the lack of Italian resources, "no democratic economic measures...can be counted on to stop the growth of the Cominform Left." Luce

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86 "After the meeting it was agreed between the Secretary of State, the Secretary of Defense and Admiral Radford that a small group would go the London immediately to commence the military discussions with the British and that in the meanwhile the Department of State would begin preliminary discussion with the British and French about our plan for a five-power conference, subject to the determination in London whether a formula could be defined for the turnover of civil administration in Zone A to Italy." "Memorandum of Conversation, by the Director of the Office of Western European Affairs (Byington)," October 22, 1953, FRUS, 1952-1954, 8:322-25; "Memorandum of Discussion at the 167th Meeting of the National Security Council (Extract)," October 22, 1953, 2:1750-52.

also believed that “[n]o overt economic measures which the U. S. Congress can take—unless the sums are vast—can long delay it, either.” Since 1945, she continued, the United States had given more than three billion dollars in aid to Italy, and although “this overt aid has rehabilitated Italy... it has not stopped the march of Communism.” Therefore, the only solution was to implement October 8 decision:

US-UK delay in implementing the October 8th decision...now threatens to destroy all these calculated effects of this delaying action. The Trieste issue has begun to backfire on Pella...If the US and UK renege on the October 8th decision, or chisel or stall too long in implementing it, Pella’s government will crumble, the prestige of the CD Party may be damaged beyond repair, and US world leadership in Italy will be repudiated.®

Eisenhower replied to Luce, generally agreeing with her proposals and stating, “We have no intention of weaseling on our October eight decision on Trieste.... However, I think the State Department is moving as rapidly as it can to correct the current situation.” The President also pointed out that “it would also be useful to know what kind of pressure we should put on these governments to do something themselves” because “a great burden of responsibility rests upon the leaders in those countries [Italy]...so must they try to mold public opinion instead of merely pleading existing public opinion as an

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® “The Ambassador in Italy (Luce) to the President,” November 3, 1953, enclosed Memorandum by the Ambassador in Italy (Luce),” November 3, 1953, FRUS, 1952-1954, 6:1631, 6:1631-34. Luce also wrote to Alfred M. Gruenther, the Supreme Allied Military Commander in Europe, about the Communist threat in Italy. Luce pointed out that “dangerous underestimation and oversimplification has already led to too much wishful thinking, lethargy and indifference....I cannot help but feel that the time has now come for NATO to take the lead in urging the governments to put their houses in order by actively opposing their communist parties.” “The Ambassador in Italy (Luce) to the Supreme Allied Commander, Europe (Gruenther),” December 11, 1953, FRUS, 1952-1954, 6:1642-44. Eisenhower pointed out that Luce sent him “a complete and analytical statement of the situation faced by Italy.” She urged that all the measures the United States could take to help halt the political appeal of Communism and strengthen the Center parties and she “placed the implementation partial or complete of our October 8 decision to withdraw from Trieste as first priority.” Eisenhower, Mandate For Change, 415.
excuse for inaction.” Homer Byington, the Director of the Office of Western European Affairs, in his letter to Livingston Merchant, the Assistant Secretary of State for European Affairs, agreed with Luce’s estimate, but at the same time stated that the October 8 decision “is not a matter that depends only on us…. We must necessarily consider what we can do immediately to encourage the democratic elements in Italy to stand up for themselves.”

On November 6 anti-British riots broke out in Trieste, resulting in the British use of firearms and in dozens of injured Italians. The Trieste riots caused anti-British demonstrations in the major Italian cities where the mobs demanded the retreat of the British general Sir John Winterton, commander of the Allied military forces, and the immediate execution of the October 8 decision. These riots caused the United States to decide to continue the Allied occupation of Trieste “considerably longer than the two Allied Governments originally had intended.” They also caused a split among the pro-Italian parties and groups in Trieste, but what was more important they “cut the ground

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89 President Eisenhower attached a copy of his letter to Under Secretary of State, Smith, the same one he wrote to Luce, in which he stated, “as you can see, this unnecessary long letter to Mrs. Luce has really one purpose. That purpose is to get over to her in roundabout fashion that it would be a good thing to analyze and specify what Italy could do herself as well as to point out what we must to in the situation, I think it would be wrong to try to get such a thing done by direct instruction, but I would hope that she would get the point in this letter.” “The President to the Ambassador in Italy (Luce),” November 7, 1953, FRUS, 1952-1954, 6:1634-37. Byington wrote to Merchant: “As regards [to] current issues the Ambassador certainly is correct in her conclusion that failure to implement either partially or completely the October 8 decision will result in the fall of the present Pella Government. We must work our way through this matter successfully or face serious consequences not only in Italy, but in our entire European policy.” “Memorandum by the Director of the Office of Western European Affairs (Byington) to the Assistant Secretary of State for European Affairs (Merchant),” November 12, 1953, FRUS, 1952-1954, 6:1637-39.
from under Signor Pella’s feet,” and allowed the opposition to successfully attack his
government.⁹⁰

Luce’s reaction to the events, according to the New York Times, again favored the
Italians. She conferred with Pella in efforts to find the minimum basis for the conference
and declared in a speech:

I hope I may be permitted not as an Ambassador of the United States but as a friend of
Italy and as one who like many of you has known profound sadness to express my
emotion at the great grief that has stricken in this tragic way the city so very dear to all
Italian hearts.⁹¹

Time reported: “Last week the unresolved Trieste problem flared up in bloody
demonstrations,” because there was “a widespread fear among Italians that the U. S. and
Britain might renege on their Zone A promise, as they had failed to deliver on their 1948
declaration.” Also, “because of the ugly threats made by the communist Tito, who
already holds Zone B,” the October 8 decision had not been carried out. The universal
Italian view was that “Trieste is, and of right ought to be Italian,” a feeling shared by “old
and young, by men and women of all parties, by Italians of all social circumstances.”
Time blamed the West for the “continuing failure to make good on its promise to Italy.”⁹²

The Western allies were convinced after the riots that the Trieste problem needed an
urgent solution. In the meantime Luce continued to write her reports in favor of the
Western action and implementation of the October 8 decision. She argued that the
“Trieste question” accounted for the Pella government’s instability, indicating the
possibility that Pella’s government might lose strength, as his monarchist support was
getting weaker. She went so far as to ask the members of her staff “to prepare a

⁹² Time, November 16, 1953.

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confidential study on the implications to the United States if a communist or fellow traveler should ever receive an important office in a future Italian cabinet."^93

During November the Western powers managed to lessen tensions between Italy and Yugoslavia and on December 5 both states agreed to recall their troops from the border completing the withdrawal by December 20. The most important current problem for the United States and Britain was finding an acceptable framework within which the Italo-Yugoslav negotiations could be held. As the year drew to its close, it was obvious that Dulles's optimistic estimate that the problem might be resolved within the month would not come true. ^94


CHAPTER 6

THE TRIESTE NEGOTIATIONS OF 1954

After Italy and Yugoslavia rejected several proposals by the United States and Britain in December, 1953, the Western powers decided to prepare a new strategy for organizing future negotiations, one that would produce a successful compromise settlement. The origins of the plan came from Julius Holmes, Director of the Bureau for European Affairs, who recommended to Dulles the following three-step approach to the Trieste question:

1. A final tripartite demarche would be made to Tito in an effort to obtain Yugoslav agreement to attend a preliminary meeting;... 2. [I]f Tito’s reply turned [out] to be negative and final, then a tripartite approach to the Italian Government [would be made] to ascertain its final position on a preliminary five-power Ambassadors’ meeting without conditions, as had been proposed by Eden; and 3. [I]f both of these efforts proved unsuccessful, the United States would then propose [to] the British that they have direct United States-United Kingdom negotiations with Yugoslavia before carrying out any further implementation of the October 8 decision.1

The main idea was to get Yugoslavia and Italy to agree to an unconditional five-power conference, but if they refused to do so, the United States and Britain would jointly invite the Yugoslav government to meet in Washington or London. As the United

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States, Britain and Yugoslavia were the three occupying powers in Trieste, they would discuss possible solutions to the Trieste question secretly without Italy.\(^2\)

Since both Yugoslavia and Italy refused the unconditional five-power meeting, the United States and Britain decided to implement the third phase of Holmes’s plan. After some discussion, they agreed early in 1954 that negotiations would be conducted in London. The State Department preferred to hold the talks in Washington, where it believed there was a better chance for secrecy, and where an agreement would be easier to be presented to the Italian government than one worked out in London. The British agreed with this preference. However, Yugoslavia indicated its preference for London for reasons of proximity and travel and because it believed that the Yugoslav ambassador in London was better informed on the Trieste issue than the Yugoslav ambassador in Washington.\(^3\)

After London was chosen as the site for the talks, it was agreed that the negotiations would be conducted on the ambassadorial level, in three consecutive stages and in absolute secrecy. This plan intended to diminish the influence of the many domestic pressures in both Italy and Yugoslavia that were impeding significant discussions between the two governments. Vladimir Velebit was the Yugoslav ambassador in London

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chosen to speak for his country. Llewellyn Thompson, American ambassador to Austria, and Geoffrey W. Harrison, Assistant Under Secretary of State in the British Foreign Office, were to represent their governments and pressure first Yugoslavia and then Italy for a compromise solution. Thompson and Harrison planned to work out a formula, essentially a Trieste settlement, on a tripartite basis—between the administrating states of the FTT, Britain and the United States (in Zone A) and Yugoslavia (in Zone B). In the next stage, the British and US governments would present the proposal to Italy, after which Italy would negotiate that proposal with the two Western powers. In the final stage the British and Americans would act as intermediaries between Yugoslavia and Italy in order to settle any remaining differences.  

Italy and Yugoslavia accepted the three stages of negotiations and agreed that the tripartite meetings would be conducted daily and kept informal without agreed-upon minutes. The United States, Britain and Yugoslavia also agreed that the Italians would

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4 Unger and Segulja, The Trieste Negotiations, 22. Each side chose its best people to represent it in the negotiations. Thompson was an experienced diplomat as he held diplomatic posts in Colombo, Geneva, and Moscow before acting as an adviser to the Secretary of State at a wide range of the international meetings, including the San Francisco Conference in 1945, the Berlin Conference in 1945 and the Council of Foreign Ministers in London in 1945. He participated in the negotiations on the Italian peace treaty, where the Trieste was discussed and settled by a compromise: the FTT, which did not work. During his two periods of service as Ambassador to the Soviet Union, his remarkable diplomatic intelligence and skills became well known. Harrison was known as “consummate diplomat,” who assumed the task of representing his government while serving as Assistant Undersecretary at the Foreign Office. He kept his Foreign Secretary, Anthony Eden currently informed of the course of the talks but the day-to-day responsibility rested with Harrison, who exercised it with competence and finesse. Velebit was prominent figure in Yugoslav regime as he served in Marshal Tito’s government during and after the war. He organized the new Ministry of Foreign Affairs and undertook important negotiations with the Soviet Union before the break with Stalin in 1948. He served briefly as Yugoslavia’s Ambassador in Rome in the early 1950s. During the 1954 Trieste negotiations, he was Ambassador to Great Britain, and his private residence in London served as the locale for the bulk of the conversation with Thompson and Harrison. Campbell, Successful Negotiation, 23-24, 45, 76-77.
not be informed of the initial discussion until there was full agreement about something worth discussing. All parties hoped to make it feasible to explore all solutions by strictly limiting the number of participants, allowing no publicity, and proceeding with a maximum of informality. These tactics proved successful and after nine months negotiations brought about a final settlement that resolved the Trieste conflict.\footnote{Unger and Segulja, \textit{The Trieste Negotiations}, 23.}

Later interviews of the representatives involved in the negotiations indicate that Thompson had by far the leading role on the American side of the enterprise. Secretary Dulles followed the negotiations but not in detail, approving the broad strategy and backing Thompson on his chosen tactics. It seemed that Clare Luce, and James Riddleberger, ambassadors in Rome and Belgrade, “did well in their supporting roles.” However, Luce was not only “instrumental in getting the process started,” she was also very active and greatly involved in the negotiations as she continuously pressured the State Department to come up with a solution satisfactory to the Italians. Throughout the negotiations, she urged the Washington policymakers to find a prompt solution to the Trieste problem and blamed the Yugoslavs for prolonging the talks with their maximum demands. Luce continually argued that the long and uncertain negotiations on Trieste endangered the United States policy in Europe as it created an unstable political situation in Italy that became an easy target for the communists.\footnote{Campbell, \textit{Successful Negotiation}, 24.}

Before the first phase of the negotiations started on February 2, Luce went to Washington for consultations about the current situation in Italy and the upcoming talks. Luce was concerned about the possible failure of the Trieste negotiations and the political consequences it would bring to Italy. Hence, she suggested ways in which the talks with
the Yugoslavs should be conducted and the steps the United States should take "should no agreement result from our secret talks with the Yugoslavs." In giving her observations on the Trieste issue, Luce pointed out the importance of the American tactics in dealing with the Yugoslavs. She thought the United States' "greatest chance of success in such a meeting would probably be gained by limiting the initial discussion to those points on which there was general agreement."

According to Luce, the United States and Britain should discuss the city of Trieste because the Yugoslavs had "already conceded [it] to be an 'Italian city.'" She continued:

This would encompass provisions for giving the Yugoslavs access to the port and certain economic and trade rights, etc. From the port, discussion should proceed to the necessity of the Italians having land access to the city. This would involve the delineation of the coastal strip between the city of Trieste and the Italian frontier. Only when agreement had been reached on these two points would the matter of Italian minorities in Zone B and Slovene minorities in Zone A be taken up.7

Luce summarized the importance of the Trieste question to Italy arguing that "the October 8 decision was the source of Pella's prestige and was [the] principal factor enabling the formation of his government." She again emphasized that "a favorable solution of the Trieste issue within a reasonable period of time would be very helpful to the center government, but a decision a year from now would have few advantages as far as Italy is concerned." If the talks failed, "the implementation of the October 8 decision" would be the only solution. This time Luce did not argue for a "dramatic and sudden move," but slow action that would give "the Italians one position in the administration at a time." She concluded, "there could be no Italian ratification of the EDC until the Trieste

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problem was settled,” as “every week of delay weakened Italy’s position within NATO and her ability and willingness to cooperate in Western defense.”

The *New York Times* gave significant coverage to the Washington consultations, reporting that Luce was “home” for the first time since taking up her post and on that occasion she conferred with the key diplomatic, defense and intelligence officials in Washington. She consulted with Secretary Dulles privately and then they “were joined by other Government officials for a two-hour discussion.” At the press conference, Luce emphasized, “Trieste was not discussed,” describing the meeting as a very satisfactory one that enabled “a full discussion and look at Italy’s many, many problems.” Since the most important officials participated in the meeting, the *Times* concluded that this “gave Mrs. Luce’s report an unusual dimension,” because “rarely do diplomats returning for consultation encounter such a reception. The State Department officials were inclined to belittle the exceptional aspect of the meeting, however, maintaining that, by meeting all the officials at once, the Ambassador would not have to see them individually.”

Regarding the reasons Luce came home, the *Times* commented, “the concern with the feebleness of the Italian government under Premier Pella is one factor that gives importance to Mrs. Luce’s return to Washington.” The United States assumed that Pella would strengthen his coalition by “reshuffling some of his cabinet posts.”

Pella indeed tried to strengthen his Cabinet, but the opposition within his Christian Democratic party forced his resignation on January 5. This alarmed Luce. The *Times* reported that “because of the Italian Government crisis, Luce will return to her post ahead of schedule.” The *Times* stated that there was concern among US officials that Pella’s

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8 Ibid.
resignation and the possibility of the upcoming elections might strengthen the
Communists in Italy. The recent Italian political, economic and military weakness could
also have a broad implications on the United States European policy as “the political
crisis in Italy jeopardizes not only the proposed European Defense Community but a
potential alternative to the strategic concept of that plan.” A weak, unstable or unfriendly
Italy could endanger “the building [of] the periphery strategy around the sea and air
power based on the periphery of Europe and its fringing islands,” as well as the whole
Mediterranean policy. The Times predicted,

The year 1954 may well witness an enforced revision of many of our major past
politico-military policies in Europe. Our diplomatic skill will be tested to the utmost
as the struggle for the world continues, with major battles looming on political and
economic fronts, battles that will determine the outcome of our attempts to create
military strength in Europe.10

For the United States, Italy was still the most important member of NATO, because
“she is the link between the Southeast Command of Greece and Turkey… directly
bordered with Yugoslavia.” According to the Times, the United States policy to terminate
“the Trieste argument, develop friendship between Yugoslavia and Italy, and induce Italy
to join [the] Yugoslavs, Greeks, and Turks,” was unrealistic. The recent Italian crisis “is
slipping rapidly into a slough,” because there was no indication that “a firm middle-of-
the-road Government” would soon come to power.11

The Eisenhower administration became disturbed “about the trend of events in the
Italian peninsula,” as the Communists were “working hard for the control of Italy,” and
appeared “within striking distance of controlling the Italian Parliament now.” The New
York Times wrote that in order to resist communism in Italy, the United States had

10 Ibid., January 7, 8, 10, 1954.
11 Ibid., January 7, 1954.
decided to implement “a tougher policy to prod Italy toward sterner measures against the
growing power of her Communist party.” The *Times* emphasized that Luce was
authorized to advise the new Italian Government, “when it is formed,” about the planned US changes. The United States’ threatening announcements to cease “placing military contracts in Communist dominated Italian factories” provoked the Communists to attack Luce with “unusual virulence.” The Communist newspaper *Unita*, according to the *Times*, “referred to Luce as an ‘old lady’ and said that she was ‘bundled off to Italy’ as far as the Cabinet crisis developed.” She was accused of “interfering in internal Italian affairs and of dictating the Government’s plans and policies.” Palmiro Togliatti, the leader of the Communist Party, declared that Luce was “a jinx who brought bad luck upon all persons with whom she came in contact” and also claimed that her Milan speech “brought bad luck to the Christian Democratic party, which was defeated.”

According to the *New York Times*, the Communists attacked not only Luce, but also Aminatore Fanfani, former Interior Minister in Pella’s cabinet, who formed a new government on January 19. Premier Fanfani declared war on communism “in the speech in which he presented his program and his cabinet.” The Communist press accused Fanfani of receiving “orders from the State Department,” citing the fact that on the same day that Luce returned from Washington, “Premier Fanfani was charged with forming a new government.” The *Times* stressed that since the Communists attacked the new government on “the last day of debate in the Chamber of Deputies on whether to give

\[12\] Ibid., January 13, 14, 30, 1954. *Time* commented that “after a U.S. visit, Ambassador Clare Boothe Luce brought with her the State Department’s resolve to press the Italian government to intensify curbs on Reds….What the hue and cry is about: the Ambassador is empowered to negotiate arrangements which will keep [the] U.S. offshore procurement contracts out of [the] factories dominated by [the] Communist unions.” *Time*, January 25, 1954.
Premier Fanfani and his Government a vote of confidence,” the Communist approach helped the rapid decline of “Premier Fanfani’s stock.” Although De Gasperi defended Fanfani and “spoke eloquently and passionately in his favor,” pointing out that “Fanfani’s program was better than the one he himself submitted to the Parliament when he was defeated last July,” Fanfani’s government was unable to attain a vote of confidence in the Chamber and collapsed on January 30, after eleven days in office.13

The Italian cabinet crisis, which “aroused fresh concern over the prospect of new delays in the Trieste dispute and the ratification of the EDC treaty,” was finally solved when Mario Scelba, former De Gasperi Interior Minister constituted a new government. Before Scelba’s government was approved (by the Senate on February 26 and by the Chamber of Deputies on March 10), Luce “discussed for two hours problems of interest to the United States and Italy” with Scelba. The Times reported that this “was considered unusual because he [Scelba] has not yet obtained a vote of confidence in the Chamber of Deputies,” but the Times explained, “Ambassador Luce intended her call purely as a visit of courtesy” and the discussion of political problems was unplanned.14 The Times stated, “it is understood that the Italian government had not departed from its intention of submitting the treaty [EDC] to Parliament for ratification.” It was also obvious that Scelba “expects the United States and other Western powers to do something about Trieste,” as his position would become “untenable if he threw away what [the] Italians consider his best card to force prompt consideration of Trieste and than remained empty handed where Trieste itself is concerned.” In his program, presented on February 18,

Scelba took a moderate stand on the Trieste issue and supported a solution acceptable to both parties that would bring an end to the old controversy and open new possibilities for friendly cooperation between Italy and Yugoslavia. By this means De Gasperi’s obsession with the Tripartite proposal and Pella’s military pressures were replaced with a new realistic approach that helped facilitate the ultimate solution to the Trieste problem.\(^\text{15}\)

While this two month long internal crisis was going on in Italy, the first phase of the secret Trieste negotiations between the United States, Britain and Yugoslavia took place in London. The representatives of the three delegations, Harrison, Thompson, and Velebit, made general introductory statements on February 2, with Thompson and Harrison on one side and the Yugoslav representative Velebit on the other. Thompson was instructed by the State Department to put the Trieste issue in the larger perspective of collective security with a “package deal” as the starting point for the talks with the Yugoslavs. As Walter Bedell Smith, acting Secretary of State, suggested to Thompson, for the United States the Trieste issue was not only an Italo-Yugoslav local problem but also one of “the political, military, and economic health of a key area which will have great significance for all of the free world and for the world-wide effort to throw back Soviet expansion.” Smith indicated, “the benefits of a successful settlement would be very great,” would demonstrate “unity among countries of the free world… and would have more profound significance in the eyes of the Kremlin than in the area of Yugoslavia and Italy.” Smith suggested to Thompson that “we are therefore seeking a ‘package deal’ which would put Italo-Yugoslav relations on a permanently sound basis…and would enable both parties to accept sacrifices in a Trieste settlement that

neither could accept if the deal were narrowly confined to the Trieste problem." Smith indicated that the United States desired a territorial settlement based upon an “ethnic line which will give the Italians a continuous coastal strip including Capodistria, Isola, and Pirano...and [the] Yugoslavs should have a suitable area in the port for their exclusive use with secure access to it.”

Within this general approach, Thompson was to press Yugoslavia to settle the Trieste dispute. To strengthen his persuasive powers he was authorized to remind the Yugoslavs that when Foreign Secretary Eden visited Belgrade in 1952, Tito was prepared to accept a territorial solution consistent with the existing zonal boundary. He could also remind the Yugoslavs that if a negotiated solution were not forthcoming the United States and Britain would have to go back to the October 8 announcement that gave Italy Zone A and city of Trieste. Although the American proposals called for territorial losses for both Italy and Yugoslavia, they advocated modifications of the existing zonal division. Italy would be granted a small coastal strip in Zone B, including all its major cities and ports; and Yugoslavia would have a suitable port area and secure access to it. Such a partition of the FTT was more favorable to Italy than the division along existing zonal lines. In an interview in November 1971, Thompson characterized these instructions as “hopeless” since they did not give him room to negotiate with the Yugoslavs. Thompson understood that the Yugoslavs would never accept this pro-Italian proposal, and he persuaded the State Department to allow him to propose a permanent frontier based on existing zonal boundaries.

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16 “The Acting Secretary of State to the Ambassador in Austria (Thompson),” January 28, 1954, FRUS, 1952-1954, 8:368-71; Rabel, Between East and West, 154-56; 17 Campbell, Successful Negotiations, 26.
As the talks began, the Yugoslavs rejected the idea that the general interest in the security of the region required them to compromise on Trieste. On the contrary, Velebit asserted that the Yugoslav rights were clear and unchallengeable. He started "with long statements of their [Yugoslav] claims" of virtually all of the FTT for Yugoslavia, including the city of Trieste, rejecting even the zonal division. Later Velebit explained that the south Slavs considered the real ethnic boundary between Yugoslavia and Italy to be "as it had remained practically unchanged for about a thousand years, on the River Soca [Isonzo]. And any encroachment from one side or the other side could and should be considered as a thorn in the body of the other ethnic unit." Velebit explained further the Yugoslav stand:

"We were convinced we had lost Trieste in 1945. We knew we had lost Trieste when the British got American support to drive us out of the town. We had suffered twelve thousand casualties in the surroundings of Trieste and in Trieste itself in order to be there first, because we thought, and I am still of that conviction, that whoever is in the possession of certain territory has a 99% chance of keeping it; it is a fact of history."¹⁸

According to the interview Velebit gave in 1972, demanding the whole FTT in the beginning of the negotiations was an understandable tactic because the Yugoslavs "had to fire off the so-called baroud d'honneur." Velebit also said that he had instructions from his government to demand the whole FTT and that he had to "put forward all the arguments—economic, geographical, military, everything." The whole first week Velebit tried to present the full Yugoslav case, and he was certain that Thompson and Harrison also understood that it was "a method of letting off steam." They recognized the Yugoslav maximum demands were "polemical and quite clearly for the record," but they

¹⁸ Unger, Segulja, The Trieste Negotiations, 26; Campbell, Successful Negotiations, 26, 83-4.
reminded Velebit that they came together to find a solution acceptable to both Italy and Yugoslavia.¹⁹

Since a first week of negotiations brought no progress on the Trieste issue, James Bonbright, the Acting Secretary of State for European Affairs, sent a memorandum to Smith, the acting Secretary of State, discussing the progress of the talks in London. Bonbright stated that the Yugoslavs "intended only to reach agreement in principle, leaving substantive details to be negotiated with the Italians," and not to compromise their negotiating position. He also stressed that the Yugoslavs made the first, concrete proposals at the fifth meeting (February 8) when Velebit suggested "an internationally guaranteed autonomous status for the city of Trieste, [the] compensation for undefined Yugoslav economic loses apparently since 1922, the whole Zone B, and presumably the balance of Zone A, to go to Yugoslavia." Bonbright concluded that Velebit was "trying it on for size and the talks have not yet produced a basis for real negotiation."²⁰

Thompson was more optimistic than Bonbright because he thought that the Yugoslavs wanted the agreement and believed that "we can succeed provided we can agree on some reasonable outlet to the Gulf of Trieste." He persuaded the Yugoslavs that the United States' "interest is in this settlement of this problem derived from the wider issues at stake and not just some maneuver in an Italian game." At the beginning of March, Thompson still argued that the solution to the Trieste crisis could be found but complained to the Counselor of the Embassy in Yugoslavia Woodruff Wallner, "after


five weeks of negotiation they are still asking for us to settle virtually every question they have ever had at issue with the Italians in their favor, as well as sticking on an impossible territorial solution.” Wallner replied to Thompson that he “got plenty of atmosphere” about Yugoslav expectations of the talks in London when he attended a party the Yugoslavs organized for Chiefs of Mission in Belgrade. “In the usual aggressive Yugoslav way,” Wallner wrote, “they all professed great disappointment at the way the talks were going and discouragement as to the possibility of a settlement emerging.” The Yugoslavs blamed Thompson and Harrison for not understanding “that marshal Tito simply could not accept something which could not be demonstrated as an improvement over the October 8 decision.” The Yugoslav position was that “whereas Tito must have something better than October 8, the Italians can take something less since there was dancing in the streets of Rome.” However, Wallner stated, “underneath this clamor,” there was worry and real desire from the Yugoslavs to find the solution “if not at London, at least in the near future.” He also said that it was obvious that Tito could not accept something that could not look better to “party and public opinion than our announcement of the 8th.”

The US officials realized that although the Yugoslavs pushed for the maximum demands, they wanted an “amicable settlement of this [Trieste] problem.” When Ambassador Vladimir Popovic met President Eisenhower in Washington, he expressed

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the Yugoslav desire to have “friendship and cooperation” with Italy, but stressed that “the stumbling block” between Italy and Yugoslavia “had been the difficult Trieste question.” He said, however, that he was “more hopeful” than ever for the settlement of the long-standing Trieste dispute.” At the news conference Ambassador Popovic said that his government “would make a ‘great effort’ to bring about a settlement and improve relations with Italy.” Popovic argued that one basis for his “new hopefulness on a Trieste solution” was based on “the modesty of Yugoslavia’s demands.” He said, “I assure you that all we want from the Free Territory of Zone A is a few Slovene villages, which are of little consequence to Italy. Indeed, for Italy they are more of a liability than an asset.” He also gave “assurances from Marshal Tito, Yugoslav President, that Belgrade would continue its ‘policy of cooperation and friendship with the United States and other Western powers.’”

Velebit demonstrated Yugoslav willingness to find a Trieste compromise after he, Thompson and Harrison began the private discussions in London that increasingly centered on specific territorial, economic, and political aspects of the possible settlement. Regarding the territorial aspect, the initial Yugoslav position was that Yugoslavia should receive a strip of land from the coast to Bassovizza in Zone A (territory on the Karst plateau above and behind the city, to the north and northeast), without offering any

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23 At the meeting Eisenhower said to Yugoslav Ambassador Vladimir Popovic that “solving the Trieste problem is vital. If that could occur, he said, we would have a solid defense ring, starting with Turkey and Greece, and carried forward without a break through Italy.” He also said that this “would be a tremendous deterrent to Soviet aggression and would thus have great stabilizing influence on the world situation.” “Memorandum of Conversation, by the Chief of Protocol (Simmons),” March 11, 1954, FRUS, 1952-1954, 8:380-81.
24 The Times stated that “The Ambassador also made it clear that another development contributing to his more hopeful outlook was the realization that ‘the October 8 decision cannot be implemented, and was an erroneous one.’” New York Times, March 12, 1954.
territorial adjustments to Italy in Zone B. In a lengthy meeting on March 17, however, Velebit accepted a US-UK counterproposal on the territorial question, which was part of the following package proposal the three Ambassadors submitted to their respective governments for approval. The counterproposal among other things stated:

Yugoslavia [is] to receive the Bassovizza strip in Zone A, Italy [is] to benefit from a rectification of the zonal boundary in her favor in the Muggia peninsula; Italy and Yugoslavia [are] to conclude a minority statute on the basis of reciprocity; the United Kingdom and the United States, and perhaps France, [are] to issue a declaration of non-support of further territorial claims; the United Kingdom and the United States [are] to attempt to obtain from Italy agreement to conclude within several months a lump-sum settlement of outstanding financial and economic question,... and to explore with Italy the possibility of autonomy in Zone A, by which the Yugoslav Government meant a large measure of local government which would make it possible for the Trieste administration to work out an arrangement which would insure full use of the city and the port.25

Yugoslavia abandoned the idea of reciprocal concessions after Thompson and Harrison stressed their proposal granting Yugoslavia Slovene areas in the hinterland of Zone A in return for ceding to Italy an Italian enclave comprising Koper, Izola and Piran in Zone B. Velebit pressed for the Yugoslav port south of Trieste, including Zaule, Servola, and Muggia (Milje), essentially suburbs of Trieste. The Yugoslavs did not want to give up the port, arguing that the area around Trieste was heavily populated by Slovenes and, thus, Yugoslavia had a need to develop a port “for the immediate hinterland.”26

After discussing all of the conditions, Velebit said that the Yugoslav Government wished to go to its maximum position before the United States and Britain presented the package to Italy. Thompson pointed out that he could not insist “upon many of the

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26 Unger and Segulja, The Trieste Negotiations, Ibid.
Yugoslav conditions or even reach a firm decision about some of them until the Italians had been consulted.” He informed the State Department that he was optimistic Yugoslavia would agree to the Muggia peninsula rectification and, if Yugoslavia accepted, he asked whether the State Department considered it worthwhile to explore with Velebit which conditions Yugoslavia would drop if Italy agreed to the Bassovizza proposal. He also stressed that negotiations could not proceed unless the United States gave “a rough indication of the magnitude of the economic aid.” The State Department replied to Thompson that it was “most gratified at the encouraging progress reports.” It also expressed its approval of the proposal for the settlement that Thompson outlined and indicated that it would support the proposal with the Italians.27

However, Luce, who was informed about the Yugoslav proposals, argued that Italy would never accept these Yugoslav conditions. In her letter to Dulles, Luce emphasized:

Any plan such as Tito’s present one, which called not only for [the] Italian sacrifices in Zone A and none by Yugoslavia in Zone B, but also for heavy reparations to a Communist government, plus millions of U.S. dollars to Tito to help him build a railroad and port in competition to Trieste would completely shatter whatever morale the Italian Foreign Office has left. The whole thing would strike the Italians as a most astounding result of ‘[the] U.S. pressure on Tito.’28

She said that “in Italian eyes it would constitute final proof that against our twice-given word we have chosen for Yugoslavia....[T]his would further undermine the pro-West parties of Italy and build up the prestige of the Fascists and pro-Cominformists who have been able to monopolize increasingly the ‘patriotic attitude’ on the Trieste question.” Luce proposed inviting “the Italians to go through the same ‘exercise’ the Yugoslavs have gone through with our US-UK London team of experts.... [This would

28 “The Ambassador In Italy (Luce) to the Secretary of State,” March 18, 1954, FRUS, 1952-1954, 8:383-89.
show] US-UK willingness to examine the attitudes of both sides patiently and fairly.”
Luce concluded that failure to implement the October 8 decision would “bring down [the] Italian government, further weaken the NATO structure, damage the chances of passing [the] EDC beyond repair, and advance the fortunes of the Kremlin Left here,” and “if the Communists continue to gain...either the stage will be set for an eventual Communist coup d'etat or civil war in Italy.”

Dulles generally agreed with Luce and argued that “basis for settlement now under consideration seems to accord closely with your views as I understand them and is in its territorial aspects very close to Oct. 8.” He also expressed the view that Velebit “seems to have accepted only lip service to autonomy,” and that since the free port of Trieste was already in existence, there was no question of a “Yugoslav proposal for anything different.” Dulles also explained his opinion that “the best hope [for] avoiding [the] spiral [of] unfortunate developments with which Italy is threatened is [the] earliest possible solution [of the] Trieste problem, on [the] basis [of] meeting [the] reasonable Italian requirements and at same time without alienating [the] Yugos.” Dulles optimistically concluded:

It seems to me the proposal on which we are now working is so close to Oct. 8 with only minor deviations which each could claim for face[-]saving purposes that it would be a great misfortune not to proceed. It ought to be a political achievement for the

29 Luce concluded her long report by saying: “I know how deeply you are occupied with the cruel problems of Korea, Indo-China, Berlin and France. But when I reflect on where our present Trieste policy may lead us, I can’t help but wonder whether it is not altogether possible that Italy could be the power keg of world War III....And once again, with our failure to implement October 8th, the day of reckoning comes on apace. Half of Communists in Europe are right here in Italy now. And their numbers are growing. What are we expected to stop them with here, if not Trieste? This is the question that cannot safely remain unanswered much longer.” Ibid., 8:383-89.
Italian Govt. to get the Italian flag flying again over Trieste, which after all is the heart of the matter.  

Even though Secretary Dulles was hopeful, discouragement about a prompt Trieste settlement grew among the American officials. According to Dillon, the American ambassador in France, there were significant differences between the newly proposed Trieste settlement and the October 8 announcement:

[The] Current conditions in which [the] present settlement is proposed as [the] basis of negotiations with [the] Yugoslavs not only deprives [the] Italians of [the] initial territorial parity promised by October 8, thereby curtailing greatly their negotiating advantage but gives them no assurances that territorial parity will ever be forthcoming if [the] London negotiations fail, which may be all too likely.

Dillon reminded the State Department, “if actual negotiations begun on [the] current settlement in London do fail, then [the] US, UK and Italian Governments will be given all the blame by Italian public opinion.” The London talks would be seen in Italy as a “US, UK, Yugoslav trap sprung on [the] Italians,” in order to avoid the October 8 decision, impose the Yugoslav settlement and then blame the Italians for being “unreasonable” in not accepting it. This would lead Italian public opinion to view Scelba’s negotiation of the Yugoslav proposals as a betrayal of Italian interests. Hence, Dillon proposed a policy for the successful outcome of the matter: first, the United States should invite the Italians to London in order to “take [the] Italian Government off hook of being accused of accepting negotiations without any assurances on October 8;” second, the US should decide what its policy would be if the London talks with the Italians “come to nothing conclusive or acceptable.” In that case, the United States should have a

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date line for implementing October 8 "if our solution should not prove acceptable to
either government." Dillon concluded that the United States and Britain should be ready
to offer to both governments an "either-or" choice on the Trieste question.\(^{32}\)

Long and tough bargaining with the Yugoslavs ensued with little progress, and United
States officials worried about the Italian ratification of the EDC, arguing that the
prospects for Italian ratification could be damaged if satisfactory progress was not made
on Trieste. The NSC's meeting on March 25 reiterated that Italy was very valuable to the
United States, because of its "central position" in the NATO front line of defense. "As a
base area for naval and air forces, Italy holds a commanding position over the western
and central Mediterranean and flanks the Balkan countries." A communist "take-over of
Italy might well destroy the whole NATO strategy," therefore, "the United States
preferably in concert with its principal Allies, should be prepared to take the strongest
possible [position] extending [it] to the use of military power." The United States policy,
of the preceding five years in seeking to integrate Yugoslavia into Western alignment
without reaching a settlement on Trieste, had placed severe strains upon "our relations
with Italy." The problem was that the Italians thought the US policy had improved
Yugoslavia's bargaining position and diminished its readiness to agree to a compromise
solution on Trieste. This situation delayed parliamentary consideration of the EDC and
negotiations on NATO facilities in Italy for US use. Therefore, an early Trieste solution,
that was acceptable to the Italians, would be an important factor in maintaining
confidence in any Christian Democratic government and would be essential to the
achievement of Italo-Yugoslav defense collaboration. The conclusion of the meeting was

\(^{32}\) Ibid.
that the United States should "continue its efforts to bring an early solution of the Trieste problem" and seek to persuade the Italian government that "it is in the interest of Italy to ratify [the] EDC promptly."^33

The Italian position on the ratification of the EDC treaty agreed with the American stand as Scelba's government proved after coming to power. Scelba placed the question of ratification of the EDC treaty "at the top" of his government's legislative program. The New York Times concluded "that Parliament soon after voting confidence in the government, will receive the treaty for ratification." The Times commented that, while ratification might take "some months" to accomplish, the general impression was that "the treaty will be ratified." Later, however, Scelba tied the ratification of the treaty to a successful Trieste settlement. The New York Times reported in March that Scelba warned that delay in the solution of the Trieste problem "made Italy's ratification of the EDC treaty 'more difficult.'" Scelba also expressed his government's desire to maintain peaceful relations with all nations.

The problem of the Free Territory of Trieste, which today renders our dealings with our Yugoslav neighbors precarious while there are plenty of good reasons for stable and fruitful relations, should not even represent a problem because right and justice are in Italy's favor.\(^34\)

Scelba concluded that "the delay of a just solution of this problem is a factor of weakness for the Italian democracy and makes more difficult Italy's intention to participate actively in the policy of European defense and integration." He also wrote to


Secretary Dulles that the Italian government was “firmly convinced that [the] E.D.C. has an essential function,” but that there were some “objective considerations” that could arise in the parliamentary debate before “the settlement of the problem of the Free Territory of Trieste or, at least, before the implementation of the October 8th decision.” Scelba argued that the Trieste question was still exploited by the extreme left, who accused the government of “weakness in front of the Allies,” and that “the implementation of the decision of October 8th could modify basically the psychological, parliamentary and political situation and could perhaps also mark a decisive turning point in the development of Italian internal politics.” He was sure that as soon as “this obstacle to the participation in [the] E.D.C. were removed, the majority of the Italian public opinion would align itself with the Government in favor of the ratification.” But in order to do that, the Italian government asked the Allies to execute “the commitment taken by the decision of October 8th to transfer ‘de facto’ to Italy the administration of Zone A.” At the same time, Scelba argued that the Italian government was ready to make a commitment “to facilitate their position toward the Yugoslavs, [if] the Allies deem it useful that Italy formally commit itself not to take recourse to any act of force in order to modify the ‘de facto’ situation.” Scelba concluded, “It is largely up to the Allies to give to the Italian Government the possibility of being in a position to obtain in the Parliament a quick ratification of [the] E.D.C. as well as to consolidate democracy in Italy.”

Dulles replied to Scelba that the United States government had “every interest in the earliest possible development of an agreement” that would be satisfactory to both Italy and Yugoslavia. He reminded Scelba that the United States viewed the resolution of the

Trieste question “not only as of fundamental importance to Italy and Yugoslavia, but also as of high concern to itself.” Dulles pointed out the importance of Trieste “to the security of Southern Europe and the special responsibilities it bears in the free world.” As the evidence for that, Dulles pointed to the on-going attempts at a solution in London and he also expressed hope that the initiation of discussions with the Italian representatives would take place in the near future.36

Dulles was confident that the United States and Britain would achieve a satisfactory compromise with the Yugoslavs, partly because James Riddleberger, the American ambassador in Yugoslavia, had sent Dulles optimistic reports during March and April about the revised Yugoslav position on Trieste. At first Riddleberger wrote that the Yugoslavs believed that the London discussions had come to a “dead-end” and that they were disappointed in the results. But although they thought that the territorial problem was “obviously the most difficult,” they pointed out that in their opinion “three governments had come closer together in their views.” Nevertheless, they still insisted on the Bassovizza strip and larger autonomy in Trieste, which according to Riddleberger, “could only give trouble with Italy.” Therefore, he argued that the Yugoslav territorial demands, which Velebit proposed on March 17 for keeping “sovereignty over Zone B while [the] city of Trieste would have a different regime,” unfortunately had no chance of Italian acceptance.37

In a later report Riddleberger reported that “more territorial discussions are possible,” and suggested that the State Department explore further

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36 “The Secretary of State to Prime Minister Scelba,” April 10, 1954, FRUS, 1952-1954, 8:403-5.
Whether any chance exists of trading [the] Bassovizza strip for [a] corner of Zone B and drop the Muggia Peninsula rectification and whether if is impossible the corner of Zone B could be enlarged to compensate for Bassovizza as it looks from our basis if certain possibilities exist in this region.\(^{38}\)

He also stressed that the Yugoslavs were interested in economic assistance and were concerned about the question of economic aid for the construction of a port and railroad. Although “it was not [the] responsibility of [the] US-UK,” since this question was part of reparations and not a part of the Trieste settlement, they would appreciate “our good offices.” He suggested that the State Department consider this issue, as it was clear “that this would be an essential part of a compromise.” He did not believe that monetary considerations would determine “points of primary political importance,” but he realized that “its present financial stringency will make the financial element important re timing and secondary points.” Riddleberger concluded “if we think, therefore, that there is a possibility of a success for the London talks, Thompson should be prepared to talk figures on extra aid as soon as possible.”\(^{39}\)

Riddleberger also conveyed to Thompson his understanding of the Yugoslav expectations for a Trieste settlement. He argued that since “we more or less invited this lengthy negotiation by our own insistence,” all possibilities of a settlement should be explored. Riddleberger expressed his optimism to Thompson about the negotiations with the Yugoslavs saying, “[l]ike yourself, I still feel that the Yugoslavs want a settlement, but they will certainly extract everything they can.” Riddleberger described to Thompson what Trieste meant for the Yugoslavs:


It must not be forgotten that here the top officials live, breathe and sleep with Trieste. It is a problem that for them is of paramount importance and on which they think both we and the British are pro-Italian. They will, therefore, try to extract from us very conceivable concession, and I have never thought that any sort of general appeals from even very high sources will evoke large concessions. I think every point will be fought bitterly until they have gotten what they consider to be the last drop of juice.\textsuperscript{40}

Regarding the necessity for speed, Riddleberger wrote that he doubted the Yugoslavs were impressed "as negotiations in one form of another have been going on for years," and he thought that this would not change in the near future. He was not surprised about "the amount of time which the London talks" have required, arguing that the United States and Britain tried to negotiate "for three months over the possibility of getting a conference." Riddleberger concluded that we shall "advance on this [Trieste] problem through a series of tough exchanges on every point, and I see no reason to assume that this will change in the near future."\textsuperscript{41}

Luce, however, had a different opinion about the London talks. She criticized the Yugoslavs for not compromising on the Trieste issue, arguing that the prolonged negotiations made the political situation in Italy even more problematic. In her reports to the State Department and Under Secretary Smith, Luce stated that "there is no doubt that within the next year a civil war situation can develop in Italy." She indicated again that if a favorable Trieste solution was not found, "the Communists would either continue to gain rapidly (which they have done in many administrative elections since October) or the situation would be marked by a swing to the Right." Luce concluded that there was in

\textsuperscript{40} "The Ambassador in Yugoslavia (Riddleberger) to the Chief United States Negotiator in London (Thompson)," April 14, 1954, \textit{FRUS, 1952-1954, 8}:407-8

\textsuperscript{41} Ibid.
any case a threat of “dictatorship of some sort, and the consequent risk of civil war in Italy.”

Although Luce constantly warned the State Department about a possible communist coup and civil war in Italy, Cyrus Sulzberger, in the series of articles in the *New York Times*, documented that the Communist threat in Italy was greatly exaggerated. Even though he did not mention Luce’s name in these articles, he criticized her in his memoirs describing her as “nuts” and a person who “merely wants to make a big name for herself as an activist in her first diplomatic job.” He wrote that while he had dinner with Luce, she told him “Italy was its own Indochina,” which was “going to fall to communism unless Congress acted.” She complained about the Trieste situation arguing that “it was a shame that we had not been able to do something dramatic for Italy on the subject on Trieste,” because “if the October 8 decision had gone through, the Italians would have been pleased, but we allowed ourselves to be blocked by Tito.” She also blamed the Italian government for “never taking adequate steps against the Communists.”

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43 *New York Times*, March 15, 16, 17, 18, 19, 1954. Sulzberger wrote: “I must say,...I basically and profoundly disagree with Mrs. Luce. She is convinced communism will take over unless we intervene.” Sulzberger, *A Long Row of Candles*, 964, 977, 983. Smith argued that active communist party membership, as a direct result of fascism, was very much larger than in other western countries, and in addition there were people in every social class who, without being ideologically committed, supported the extreme Left as an outlet for disaffection and alienation in many different layers of society. The communists were often backed as a defense of secularism against clericalism and this helped to keep alive a serious debate in the press. Successive elections would show that communism had no chance of becoming the majority party or of even forming an alternative government. The communists and revolutionary socialists never managed to persuade a large enough part of the electorate that they had accepted the democratic process; so they were left to criticize the government and keep issues of principle from being swamped by transformist pragmatism. Smith, *Modern Italy*, 426.
Because of his comprehensive survey of Italian conditions, which included discussions with “the principal leaders of the country, political, economic and clerical, as well as hundreds of less well-known representatives of [the] complex Italian social structure,” Sulzberger concluded that “although the Communists are uncomfortably near power, the danger of their attaining it has been exaggerated [by Luce].” He stressed that although “Communism’s most direct assault on the free world west of the Iron Curtain is being made in Italy,” it was unlikely “to gain control of Italy, at least as long as the United States adheres to its policy of shoring up free lands of Europe.” He argued also that it was improbable that “the Communists and their fellow traveling allies are going to be able to gain sufficient support to vote themselves into authority in the foreseeable future,” as the party was not strong enough “to gain power without direct intervention from abroad.” To support his arguments Sulzberger cited his conversation with Scelba, who argued that there was no danger of a communist conquest of Italy, “either by legal democratic means, or by violence, as Communism remains a distinct factor in the national life.”

According to Sulzberger, the United States had acted to prevent a communist conquest in Italy by granting aid totaling “$3,274,821,828 in last ten years.” He criticized some American policymakers “in a position to influence Washington’s foreign policy,” because they made efforts to impress Congress of the dangers to the United States if Italy went communist. “These tactics of ‘scaring’ Congress entail the risk of also frightening the Italians,” Sulzberger wrote. Some Italian observers noted that in order to weaken communism in Italy, the United States “must publicly reaffirm its interest in this country

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and its determination to safeguard democracy in Europe.” However, some Americans believed that in order to gain the required strength in Parliament, “it may be necessary for the existing Christian Democratic government to be replaced with an alliance of the Christian Democrats and Monarchists.” Sulzberger opined that this would be an “extremely dangerous step,” as the Monarchists would drive all democratic forces out of the Parliament, if they strengthened their power after the June 7 elections. He saw the solution to the unstable Italian situation in the emergence of a “nonclerical, liberal, democratic party that could regain the confidence of the non-Communist left,” and cited one Italian who said, “Democracy must present a new and spiritual vitality, and the Christian Democratic party must experience an internal revolution.” While implicit, his criticism of Luce and her strategy was clear.45

Despite what the newspapers wrote, Luce was convinced of a real Communist threat in Italy and did everything possible to help solve the Trieste problem and strengthen the United States’ position in this part of the world. During April Luce became increasingly worried about the Italian ratification of the EDC. She wrote to Dulles that “if a Trieste solution can soon be got, there is no good reason why [the] EDC should not be ratified in Italy before winter.” She warned Dulles “regardless what the Italians may say, they will not pass [the] EDC until the Trieste question is at least within sight of settlement.” Luce further wrote

I am so sad to report that the brief moment when it looked to me and to Bedell Smith as though the Scelba Government really intended to act vigorously all along the line on Western policy, using the debate on [the] EDC in Italy as the signal for an all out political attack on the Communist problem, is past. Unless you can offer a solid Trieste carrot, or raise some more vigorous stick to secure [the] EDC ratification than

45 Ibid.
any we have at hand here, I very much fear that the Scelba pro-EDC and anti-Communist drives will both proceed at the speed of cold molasses.\(^{46}\)

Luce also reported to Dulles her conversation with Count Magistrati of the Foreign Office in which she repeated that the real danger to the EDC in Italy came from two factors: the internal political situation and from the status of the Trieste question. Magistrati, according to Luce, argued that two years earlier it would have been easier “to accept a compromise Trieste solution than now,” because the current government “is much weaker, U.S. aid has dwindled, Yugoslavia has grown stronger and more menacing, and above all, the long delay on the October 8\(^{\text{th}}\) decision,...made the situation much more difficult.” She quoted his opinion that the current proposal, which was no better than that of October 8\(^{\text{th}}\), “would now be all but impossible for the Government to accept. If it did so, it would fall as a result of it.” Luce generally agreed with this position, stating that Italy was afraid “that what would come out of the London talks would be ‘another diktat’ like October 8\(^{\text{th}},\) but one less favorable.” Hence, she convinced Magistrati that “a reasonable solution which Italy would voluntarily accept was altogether possible as well as desirable.” Again, Luce warned Dulles that the Trieste question was increasingly used by the Communists “to gauge the value the West attaches to the importance of Italy as an ally.” Since Italian public opinion always saw Italy as “the messenger boy, or poor relative of the Big Three,” Luce concluded that “perhaps not without reason,” the Communists exploited “much of the inferior colonial status the Big Three always assigned to Italy.”\(^{47}\)

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Dulles replied to Luce that he constantly thought about Trieste and that "some progress is being made, but all too slowly." He attended the Geneva Conference from April 23 to May 3, and conversed with the Italian foreign minister Attilio Piccioni in Paris about the Italian situation. In his account of the conversation to the State Department, he stressed that for the Italian government "Trieste is Italian Government's greatest single problem. It is [a] highly emotional question and vitally affects not only Italian action re [the] EDC but future internal developments in Italy." Dulles wrote that although the Italian government had introduced the EDC treaty into parliament, "favorable parliamentary action [was] not possible unless Trieste [was] settled."

According to Dulles, the Italians continuously argued that

If there is a favorable solution to Trieste or a clearly defined indication that a definite solution is in offing, [the] Italian Government can count on additional support for [the] EDC, particularly from [the] Monarchists. Also [the] Trieste solution will deprive both [the] Communists and [the] political right of a propaganda weapon against [the] EDC.48

To encourage the Italians to ratify the EDC treaty as soon as possible, and clarify once more the United States' stand on the Trieste problem, Dulles decided to return from Geneva to Washington through Milan and meet personally with minister Scelba. The New York Times reported that this visit "will increase Signor Scelba's prestige," displaying the United States concern for the Italian affairs and "the desire to be helpful to the Scelba Government." Although the two countries had different priorities, "Signor Scelba could not miss this opportunity to stress again that without some solution of [the] Trieste problem Italy cannot play her desired role in Europe." While Dulles' chief interest

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48 "The Secretary of State to the Department of State," April 24, 1954, FRUS, 1952-1954, 8:416-18; "The Secretary of State to the Ambassador in Italy (Luce)," April 28, 1954, FRUS, 1952-1954, 8:418.
was the EDC treaty, their meeting had an "ample exchange of views" on the international situation. The Times informed its readers of a discussion of "a full exchange of views on aspects of the general international situation," as well as attention to "matters of mutual interest" and "their common purpose to consolidate peace and security and further international cooperation."49

Luce informed the State Department about the meeting Dulles had with Scelba, emphasizing that Scelba spent most of his time discussing the Trieste problem with Secretary Dulles, although the Italians had been advised "in firmest manner" that he "would not bring up the Trieste question and wished to talk on broader aspects of international problems, particularly [the] EDC." She wrote that even though Scelba tried to divorce the EDC and Trieste, "this proved to be impossible because of internal political factors." Scelba again mentioned that "urgency re Trieste due to [the] lack of implementation [of] October 8, adding [the] Italian public believed we could now implement October 8 and could not understand [a] delay."50 Dulles informed Scelba that he could not address the Trieste discussions in London, stressing that it could be quite wrong "for any one to believe that holding up [the] ratification of [the] EDC could be used [to] bring about [a] more favorable solution [to] Trieste." Dulles concluded the meeting by saying that both Italy and Yugoslavia "should be prepared to make sacrifices for the bigger issues," and pointed out to Scelba that it was essential to keep the press

49 New York Times, May 1, 1954. The Times stated that "It is presumed that the question of greater Italian emigration came up because Signor Scelba was seen to be studying a report on the subject just before the meeting. On the Dulles side it is obvious that the Secretary was interested in pushing the European Defense Community and in the perennial problem of communism in Italy, where it is numerically stronger than anywhere outside the Iron curtain." Ibid., May 4, 1954.

50 "The Ambassador in Italy (Luce) to the Department of State," May 4, 1954, FRUS, 1952-1954, 8:419-22.
quiet in Italy "in order not to jeopardize the strenuous efforts [the] US-UK have made in reaching Trieste solution."\(^{51}\)

Nevertheless, speculative stories began to appear in the newspapers. On May 8, the New York Times published Cyrus Sulzberger's report disclosing most of the details of the plan for resolving the Trieste dispute that had been worked out in the secret negotiations in London. According to the Times, sources in Italy and Belgrade confided that

Yugoslavia would give up all claims to the city and port of Trieste; The Free Territory would be partitioned along the lines of Zone A and Zone B; certain minor border ratifications would be made; a new port of Capodistria would be constructed in Zone B and awarded to Yugoslavia; this harbor would be connected with Pula and Ljubljana by the new set of railroads and highways.\(^{52}\)

On May 9 the Times published another Sulzberger report on his interview with Tito at Bled, in which Tito had discussed his own plan for a settlement for Trieste, which Sulzberger said "closely resembles a British-United States plan worked out in London."

Tito stated that he "vigorously opposed the reported Italian efforts to have a temporary solution," because "the problem must be settled definitely."\(^{53}\)

\(^{51}\) Ibid.

\(^{52}\) New York Times, May 8, 9, 1954. Sulzberger wrote that "Yugoslavia is arguing that if she gives up what she asserts is a proper and justified claim to the city of Trieste, she should not be penalized by being forced to pay....For this reason it is insisted that even if Yugoslavia was given free port rights in Trieste after the city went to Italy, she would need a new harbor at Kopar and a new network of roads and railways. To justify this to a Slovene population foregoing its claim upon Trieste, it is argued, those new projects would have to be financed abroad. Belgrade hopes to get the necessary money in the form of outright grants-largely from the United States." Ibid., May 8, 1954; “Editorial Note,” FRUS, 1952-1954, 8:425.

\(^{53}\) Among other things, the article stated that "Under the plan the present state called the Free Territory would be ended and its territory would be divided between Italy and Yugoslavia. Italy would receive the city of Trieste itself and most of the present Zone A, occupied by British and American troops. Yugoslavia would receive the rest except for very minor adjustments." New York Times, May 9, 1954.
Although these reports received "the most prominent coverage in the Italian press," the Italian government "carefully avoided any move that might prejudice British-American efforts to find a solution of the Trieste problem and did not intend to abandon this attitude." The Times reported that a Foreign Office spokesperson expressed "official regret that Marshal Tito had disclosed a new plan for settling the Trieste dispute." According to the Times, the diplomatic quarters speculated that the purpose of Tito's announcement, "which breaks the well-disciplined silence that has been maintained for so many months," was to prepare "the Yugoslav public for a settlement that would fall short of Marshal Tito's demands last autumn."54

As a result of these disclosures, the State Department instructed Luce to inform the Italian government of the United States' displeasure at Tito's action and to say that the version the Times published was inaccurate. Luce was also to indicate that within a short period of time, the United States and Britain expected to be able to propose to the Italian government a basis for discussion that would lead to a satisfactory settlement. She should also ask the Italian government not to make any statement that would prejudice the possibility of achieving a settlement.55

In the meantime, a series of secret meetings were held in London between the US, the UK and Yugoslavia that concentrated on specific proposals with some give and take in both directions. By the end of May, a realistic compromise came under discussion and was accepted as the proposal to be presented to Italy in the second stage of the

54 "Italian official circles refused to be ruffled today by what is considered here to be a trap laid for them by the Yugoslav Government in connection with the Trieste issue....It is widely believed here that the Yugoslavs tried to provoke the Italians into rejection of the forthcoming Trieste proposals before they have even seen them," the Times wrote. Ibid., May 12, 1954.
negotiations. The Anglo-American negotiators eventually agreed with the Yugoslavs that there would be a partition along existing zonal lines with minor territorial exchanges between Zone A and Zone B. The Memorandum of Understanding that the United States and Britain signed with Yugoslavia on May 31 stated that the boundary line between the two zones would be moved “about a mile and a half from Punta Grossa to Punta Sottile on the seashore.” In exchange, Yugoslavia would compensate Italy with a small triangle of land inside Zone B, along the zonal line. Yugoslavia and Italy would also mutually guarantee minority rights. The Western powers also promised Yugoslavia economic aid of $20 million from the United States and 2 million pounds from Britain for “the construction of a port and transportation facilities in the Capodistria-San Nicolo area,” that at the end helped seal the bargain.56

After the United States and Britain signed the Memorandum with Yugoslavia, Luce expressed to Thompson her admiration for the manner in which he “brilliantly conducted the negotiations, steadily hammering back the Yugoslav demands” until they accepted conditions which could be presented to the Italians “with hope of acceptance.” She argued that the Italians “will try to probe in Washington and here for weak spots in the United States governmental position which you will be presenting to them in London.” However, the Italians would probably accept the now “available $20,000,000 in aid,” which they might expect “in the event of a settlement.” At the end, Luce expressed hope

that Thompson would be able to persuade the Italians "by being in a position to offer
them something toward settlement of Italian claims."\(^\text{57}\)

On June 1, Thompson and Harrison opened the second stage of the negotiations with
Italy and handed to Manlio Brosio the plan, which included these provisions:

- Readjustment of the interzonal boundary of the Free Territory Trieste;
- Termination of the military government and transfer of administration;
- Arrangements for maintenance of the Free Port of Trieste and for measure local
  autonomy;
- Reciprocal statute for protection of minorities;
- Reciprocal declaration of non-prosecution for political activities in connection with
  the solution of the Free Territory of Trieste problem;
- Settlement of outstanding financial claims and counterclaims;
- Measures to improve the atmosphere and facilitate cooperation.\(^\text{58}\)

Meanwhile, in Washington, Secretary Dulles emphasized to the Italian ambassador
Alberto Tarchiani that the London proposal, which was being presented to the Italians,
could be considered "for all intents and purposes, an implementation of the October 8
decision," and that it represented "something which the Italian Government could present
to the Parliament." Dulles also expressed hope that the negotiations with the Italians
"would not require as much time as had the Yugoslav talks," and again emphasized the
importance of a Trieste settlement not only for Italy and Yugoslavia "but for its beneficial
effect on the general political climate of Europe." The New York Times although not
familiar with the details of the secret negotiations, noted that the United States officials

\(^\text{57}\) "The Ambassador in Italy (Luce) to the Chief United States Negotiator (Thompson),"
\(^\text{58}\) "The Ambassador in the United Kingdom (Aldrich) to the Department of State," June 1,
1954, FRUS, 1952-1954, 8:439-40. Brosio's career was in many ways similar to that of
Vladimir Velebit. An opponent of the Fascist regime, he was a member of the Committee
of National Liberation from 1943 to 1944, and Minister of War in the government, which
was in power from 1945 to 1946. During his diplomatic career, he achieved the
remarkable record of serving as Ambassador to the Soviet Union, the United States,
Great Britain and France. He was also an effective Secretary General of NATO from
reported “good progress” toward the Trieste settlement. Even though both the State Department and the Ambassador were uncommunicative, the Times “learned in other quarters that the London talks had made such headway that the ‘second phase’ of the negotiations, this time with Italy, would now be undertaken.”

Nevertheless, the Italians greeted the proposal with indignation, regarding it as a diktat reflective of Yugoslavia’s improved bargaining position and consequently stalling on a compromise. Although the United States reminded the Italians that the West had pressed Yugoslavia hard to make “maximum concessions,” the Italians rejected the proposal. They argued that “proposed settlement was disadvantageous to Italy territorially,” and since it was clearly final, Italy could not enter into negotiations on these terms. They also complained that they were presented with “a US-UK-Yugoslav proposal on a take it or leave it basis, and a basis of take it or leave it soon,” with the Western implication that “if the Italians reject it something bad will happen.” Brosio pointed out to the American and British negotiators that the Western powers had acknowledged Italy’s right to the entire FTT in the Tripartite Declaration and promised Italy all of Zone A in the October 8 decision. Therefore, the Italian government could not accept the London plan without jeopardizing its own existence as well as free democracy in Italy and her support for NATO and the European Community.

Unsatisfied with this negative Italian reaction to the US, British and Yugoslav proposal, Luce suggested to the State Department that the United States should “impress


on all Italians the reasonable nature of the London agreement,” urging its acceptance as
“beneficial to the over-all interests of Italy and the common defense.” She proposed that the United States should

speak frankly and firmly to the Italians on their attitude concerning [the] Balkan Pact which has now become the fuse on the Trieste bomb. We should point out to them the military value of such an alliance and urge a realistic consideration of the problems which it poses. We should urge them to take a broader view of this development, taking into account the nature of the Soviet threat and the minuteness of the Trieste question in terms of general problems.61

Secretary Dulles appreciated Luce’s “careful and thoughtful analysis and recommended courses of action,” arguing that while initial Italian reaction was disappointing, a certain amount of fireworks was to be expected as the Italians needed “time to work off steam.” He agreed with Luce that “they [Italians] cannot put us in position of being forced to choose between them and [the] Balkan Pact, or between NATO and [the] EDC,” because both Italy and Yugoslavia were “subject to [a] common danger much greater than [the] danger either might present to [the] other if we lived in [a] different kind of world, not under [the] shadow of Soviet totalitarianism.” At the NSC meeting on June 9 Dulles pointed out that although the Yugoslavs “had carried on these negotiations with the greatest deliberation, they had made a real effort to reach a viable solution.” The Italians had not yet made up their minds “whether to regard the new solution as a triumph or a disaster.” If the Italians would not agree to go along, Dulles argued, “it will be most disheartening, because it is a very fair solution.” In the telegram he sent to the American Embassy in Britain, Dulles wrote that “this Trieste proposal [much less any better one is] not likely [to] be offered again,” warning that the failure to

61 “The Ambassador in Italy (Luce) to the Department of State,” June 6, 1954, FRUS, 1952-1954, 8:446-48.
find a solution to the Trieste problem would not merely mean a "return to status quo."
The Italians would not be able to escape "in eyes [the] free world, [a] large and perhaps
major share [of the] blame."^62

Even though Italy at the beginning of the talks rejected the US-UK-Yugoslav
proposal, the Italian ambassador Brosio, after some discussion, consented to reconsider
the given terms. He made some objections insisting that the boundary adjustment had to
be reciprocal and the solution had to be de facto provisional. He also referred to Italian
desiderata, such were minority rights, settlements on reparations, refugees and fisheries,
and frontier readjustments around Gorizia. In later interview Brosio explained, "after
much haggling and going back and forth we achieved definite improvements on some
suggestions."^63

A month after the second phase of the negotiations started, "the Italians were ready to
proceed expeditiously," having only two main requirements: to get some modification of
the United States-British proposals, "to show that they have negotiated successfully and
not accepted a US-UK-Yugoslav 'diktat,' above all with regard to the territorial
provisions," and to have the settlement "presentable to the Italian public as provisional."
Brosio pointed out that the Italians "are asking for adjustments at both ends of the
proposed new interzonal boundary," but that they would not insist on all their changes if
they get satisfaction on the territorial adjustment."^64

^62 "The Secretary of State to the Embassy in Italy," June 8, 1954, FRUS, 1952-1954,
8:448-49; "Memorandum of Discussion at the 201st Meeting of the National Security
Council," June 9, 1954, FRUS, 1952-1954, 8:449-51; "The Secretary of State to the
^63 Unger and Segulja, The Trieste Negotiations, 32.
^64 Ibid., "The Ambassador in Italy (Luce) to the Department of State," June 18, 1954,
The *New York Times* wrote in the meantime that Mrs. Luce expressed her optimism about the Trieste settlement “in not too distant future,” and added, “if Italy and Yugoslavia reached agreement on Trieste, action by the Italian Parliament on the European Defense Community treaty would follow quickly.” The *Times* also noted that Luce was in the United States “for several weeks vacation,” and that her remarks that “the Trieste problem was imminent and was being held up only by minor differences on the wording of the announcement” were confirmed in Washington. Soon thereafter the *Times* stated that an “agreement for a solution of the Trieste problem has been reached in principle between Italy and Yugoslavia,” and also argued that “although the agreement was labeled as a provisional, in reality it was final and likely to regulate the future of the Trieste Free Territory for as long as it can be foreseen.” The *Times* concluded, “a firm agreement already has been reached between Italy and Yugoslavia on the substance of the all the main points of the Trieste solution. A few minor points—some sources say only two—remain to be settled.”

On July 14, the Italians accepted the proposed terms, but for reasons of prestige, they demanded that Punta Sottile, the area composed of two square miles of high ground overlooking Trieste, remain in Zone A as they did not wish to be seen as accepting a dictated settlement. This was the counterproposal by which the Italians obviously wanted to ensure that “someone standing on the docks at Trieste and looking southward would see that the last point in view, Punta Sottile, was Italian and not Yugoslav.” On July 21

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65 *New York Times*, July 10, 1954. *Time* magazine wrote that “Luce left Rome last week increasingly hopeful about Italy’s future. ‘If Trieste can be settled, as I hope it will be,’ she told reporters before she left, ‘and if [the] EDC can be ratified by Italy, then this country within the next two years will begin to play much more active and dynamic role in foreign affairs than at any time since 1948.’” *Time*, July 12, 1954.
the *Times* reported, "Italy has approved the major points in the United States-British proposals," with only minor issues "said to remain between Italy and Yugoslavia."\(^6\)

Thompson and Harrison explained the Italian counterproposals to Velebit, and on July 21 Velebit responded with a new draft of the proposed memorandum of understanding, which recommended a number of changes in and additions to the other articles. Velebit made it clear that the most important points for Yugoslavia were the issue of the territory, on which he stood firm, and the possible connection of reparations with the fishing agreement, which Yugoslavia was firmly resolved not to accept. The Italians were also determined to be firm on their territorial proposal. Therefore, during August, agreement was reached on all issues except the psychologically critical Punta Sottile. Thompson and Harrison continued to act as intermediaries between Velebit and Brosio, but they made little progress. Neither Yugoslavia nor Italy was prepared to renounce its claims. Thus, by September 3, after seven months the Trieste negotiations had reached an impasse over a tiny strip of land and a question of prestige.\(^7\)

Inpatient to solve the Trieste problem, Luce advanced the idea in Washington that eventually the United States "might have to drop its role of honest broker in the Trieste matter and suggest to the Italians and Yugoslavs a specific settlement." She proposed

[A] certain time limit on acceptance, with the statement to the Yugoslavs that otherwise we would implement the October 8 declaration and statement to the Italians that not only would we implement the October 8 declaration but we would also come out with a strong statement that this settled the Trieste matter for once and for all and forever.\(^8\)


\(^8\) "Memorandum by V. Lansing Collins of the Office of Western European Affairs to the Deputy Director of the Office (Tyler)," *FRUS, 1952-1954*, 8:490-91.
Again, she pointed out "the undesirability of the U.S. pressing the Yugoslav solution upon the Italians," although she admitted that this could be done along with certain consequences in Italy.  

Luce's idea was examined and accepted in a memorandum about the "necessity of forcing settlement of Trieste question" that Robert G. Hooker of the Bureau of European Affairs wrote to Livingston Merchant, the Assistant Secretary of State for European Affairs. Hooker pointed out that both the Italians and Yugoslavs insisted on the proposed territorial issues, but that the Italians "so far 'behaved better' than the Yugoslavs on territory and reparations." There was a fear that the uncompromising Yugoslav attitude could make the already "unclosed gap" between the Italians and Yugoslavs even wider. This raised the question of the possibility "of the settlement slipping away entirely," forcing the US and UK to determine what action they would undertake if Italy and Yugoslavia did not accept the compromise on the Trieste issue. Hooker concluded that the US and UK would again try to persuade both sides to compromise on Trieste and should make another effort in order to get "Tito [to] yield on the territorial issue," warning him that if there were no Trieste settlement "we will consider that the major responsibility is his."  

Once again, Luce helped spur action in Washington about the Trieste impasse. On August 31, the ambassador sent Eisenhower a lengthy analysis of the unstable political situation in Italy. She said that Italian politics were polarized between the democratic pro-Western and pro-Cominform parties and emphasized that "[d]emocratic Italy has only

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69 Ibid.
one alternative if its pro-West policies fail: to adopt pro-Russian policies.” Luce argued that the return of Zone A “has become a matter of greatest urgency to the present Italian Government.” Therefore, she recommended that the President should “insist on a firm reply from the Yugoslavs at once, which will permit the Italians to dispose of the Trieste question one way or the other, before October 8th.” She concluded that the Scelba government might soon collapse “unless we can produce a settlement of the Trieste question and immediately.” Eisenhower accepted Luce’s view that the Yugoslavs were blocking progress on Trieste. He said among other things that her conclusions were not greatly different from his own instinctive feelings and he promised to do what he could. He stated in his memoirs that he was “tremendously interested” in securing an agreement on the issue “if for no other reason than to provide some counter-balance to the EDC flop.”

With an impasse reached in the London negotiations, a proposal originated in Washington that Robert Murphy, Deputy Under Secretary of State, should be sent to Belgrade in an effort to break the deadlock. The origin of this proposal is unclear, but Luce subsequently received credit for suggesting that the President send Murphy. In his memoirs, Murphy recalled that he was seated next to Ambassador Luce at a dinner party in New York at the beginning of September. Murphy told her about his amiable meetings with Tito during World War II. According to Murphy, Luce said, “You are just the man

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71 “The Ambassador in Italy (Luce) to the President,” August 31, 1954, FRUS, 1952-1954, 8:505-11.
72 President Eisenhower replied to Luce: “I have studied your secret letter of the 31st. The conclusions you present, as a result of your convictions and study, are not greatly different from my own instinctive feelings, based, however, on much flimsier foundations than are yours. I shall certainly do what I can. Thank you very much for writing me. Ibid.; Eisenhower, Mandate for Change, 510.
we need to bring Tito around.” She told him also that the following morning she had an appointment with the President, where she would suggest to President and Dulles that Murphy be sent to Yugoslavia. Murphy commented in his memoirs that Luce “usually got what she wanted” and he recalled that he received the instructions that same day to confer with Tito.73

However, there is no record in Eisenhower’s appointment book for September 1954 of any meeting with Luce. Eisenhower left Washington on August 30 for a trip to the western United States and did not return until October 16. In addition, Dulles left Washington on August 31 to attend the Manila Conference and did not return until September 14. In light of Eisenhower’s and Dulles’ absence from Washington, Luce may have informed Merchant directly about her proposal that Murphy be sent to Belgrade. Merchant wrote to Acting Secretary of State, Walter Bedell Smith “[a]fter discussion with Mrs. Luce, I suggest that we should plan for Mr. Murphy to go to Belgrade and Rome to present the US-UK proposals to Tito and Scelba.” He asked for Smith’s approval for Murphy’s trip “for the above purposes.”74

Smith considered that the Trieste issue was of such urgency that he approached President Eisenhower to secure authorization for Murphy’s trip. He suggested to Eisenhower that it would be “most helpful if he [Murphy] were authorized to deliver [a] personal oral message from you to Scelba and Tito.” Murphy could also invoke “your

73 However, Merchant, Assistant Secretary for European Affairs in a memorandum to Secretary Dulles, suggested that Murphy should be sent on such a mission, but the suggestion was not acted upon at that time. “Editorial Note,” FRUS, 1952-1954, 8:513-14; Robert D. Murphy, Diplomat Among Warriors (Garden City, N.Y.: Doubleday, 1964), 422.
personal authority in warning of a future less sympathetic US attitude toward their requests for economic and military aid if they refuse the concessions.” Eisenhower replied that he was anxious that “everything be done to settle the Trieste situation” and that he was in favor of Smith’s suggestion, further remarking, “I instinctively share your feeling that the approach to Tito should take more the terms of a warning while in Scelba’s case the proposed term might be mild, even to the point of being encouraging.”

Since the Yugoslavs were “in great need of wheat,” and “greatly worried by their financial problem of converting their short-term liabilities into long-term obligations,” the United States’ officials understood that they “had certain leverage on the Yugoslavs in the coming talks.” Before Murphy went to Yugoslavia, he received suggestions that he could use in his Belgrade conversations. Merchant instructed Murphy to approach “the matter of US-Yugoslav relations in the very broad terms of the mutual benefits [to] be gained from steady improvement of these relations.” Merchant also suggested that Murphy “indicate our potential to exert pressure on Tito” by reviewing US military and economic assistance since 1948. In addition, he should bring out “the fact that thus far there have been no strings attached to our actions in Yugoslavia’s behalf” and “develop the possibilities for further progress in Yugoslav-Western relations and the advantages to

75 “The Acting Secretary of State to the President,” September 3, 1954, FRUS, 1952-1954, 8:517. In his letter to the State Department, Riddleberger wrote that: “We are delighted with proposal to send Murphy to Belgrade and Rome. It seems to us that if [the] Italians refuse [the] present proposal [the] point has been reached in [the] negotiations where [a] high-ranking American official should make what we hope will be [a] final and successful effort on [the] Trieste negotiations. Hope we can come prepared to talk on aid and wheat, as well as details of [the] Trieste settlement. In addition to the desirability of having [a] high-ranking American official team to Belgrade, I think Murphy is an excellent choice and his previous acquaintance with Tito will be helpful.” “The Ambassador in Yugoslavia (Riddleberger) to the Department of State,” September 5, 1954, FRUS, 1952-1954, 8:519-20.
Yugoslavia which would unfold once the Trieste block had been removed.” Merchant submitted the principal arguments for Murphy to include in his talks with Tito with regard to economic and military aid and concluded, “this combination of the screw and the carrot might have a good chance of success whereas either one or the other used alone would probably fail to turn the trick.”

Murphy was also instructed to give Tito a personal letter from President Eisenhower that contained references to American economic aid but primarily stressed Yugoslav-American friendship. Eisenhower also wrote that he counted on Tito’s continued diplomatic wisdom because of “the larger issues weighing on the free world of which our countries are part.” Eisenhower wrote:

I have asked my friend and your friend, Robert Murphy,….to ask your assistance in bringing these delicate negotiations to a successful conclusion now…. In stressing the importance to Europe and to the United States of a prompt and happy termination of the long, drawn-out negotiation regarding Trieste, I count on your continued wisdom and statesmanship…. As you know, the United States is providing massive support in Europe to promote collective security which benefits both our countries…. I feel it is appropriate to call on you in this friendly fashion to intervene personally in the Trieste negotiations to settle the exceedingly small differences now remaining.

Eisenhower also emphasized the sacrifices the Yugoslavs made in the London negotiations from February 2 to May 31, “urging this small concession” that could not otherwise solve the Trieste problem. Finally, he mentioned “certain economic developments and emergencies” that Murphy would discuss privately with Tito.

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76 “Memorandum by the Assistant Secretary of State for European Affairs (Merchant) to the Deputy Under Secretary of State (Murphy),” September 9, 1954, FRUS, 1952-1954, 8:525-26.
77 Murphy was one among several people who took part in the drafting of a letter from President Eisenhower, which he was to deliver to Tito. “Editorial Note,” FRUS, 1952-1954, 8:531.
78 Ibid.
The Yugoslavs regarded highly this letter from Eisenhower that acknowledged and sympathized with the Yugoslavia's position yet asked for a concession that would make a settlement possible. It is unclear whether Tito was moved by this personal appeal or by the prospect of continued American economic assistance. In any case, the Yugoslav leader proved accommodating and the mission was successful. Tito abandoned the claim to Punta Sottile and submitted two alternative proposals. According the first, the border would be moved immediately south of Punta Sottile so as to leave the village of Lazzaretto to Yugoslavia, and Italy would obtain the triangle of Zone B. The second alternative would move the border further to the south, somewhere in the middle between the Punta Sottile and Debeli rtic, giving Lazzaretto to Italy but without the compensation with the land from Zone B. Murphy publicly expressed the satisfaction with his talks with President Tito declaring that the United States "would naturally welcome the Trieste solution," and that he hoped "the Italians share this desire with us and I am sure the Yugoslavs do too."^79

After his talks with the Yugoslavs, Murphy flew to Italy where he presented the Yugoslav alternatives to the Italian government. The Times wrote that Murphy and Luce "talked for one and a half hours with premier Mario Scelba," informing him about the talks with the Yugoslavs, after which Scelba "told the Cabinet about his discussion with

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^79 Since Murphy's mission was secret, the New York Times first reported that Murphy was traveling to Europe to assess "problems of Western security" and that his principal concern would be "with the plan for West German rearmament." The talks would also touch on issues like "the dispute over Trieste and economic aid that depended on the ratification of the European Defense Community treaty." The Times discovered later, however, that Murphy had changed his plans and "will meet Marshal Tito" probably to "discuss the Yugoslav-Italian dispute over Trieste." His chief task "is to drive home to both President Tito of Yugoslavia and the Italian Government how keenly the United States desires a solution of the Trieste question." New York Times, September 12, 15, 1954; Novak, Trieste, 1941-1954, 455.
Mr. Murphy.” The Times also pointed out that Italy and Yugoslavia “are now so close in their views on Trieste that an agreement should be reached if a minimum of goodwill is shown by each side.” Indeed, a few days later the Italian council of ministers chose the second alternative. Italian President Einaudi “had urged both minister Scelba and the foreign office to accept the Trieste settlement.” A public announcement was desired before October 4, when the Italian Government would be submitting the Foreign Office budget to the parliament, and certainly before the October 8 anniversary of the Allied promise to return Trieste to Italy. After nine months of secret negotiations, the efforts of the Anglo-American negotiators finally paid off.\footnote{New York Times, September 19, 21, 1954; Unger and Segulja, The Trieste Negotiations, 37.}

On October 5, 1954, Thompson, Harrison, Velebit and Brosio initiated the Memorandum of Understanding that assigned virtually all of Zone B and a strip of Zone A to Yugoslavia, the city of Trieste and almost the entire remainder of Zone A to Italy. Both Yugoslavia and Italy were content with the agreement and in a matter of days they approved it. Tito in his speech on October 6 pointed out that Yugoslavia had to make sacrifices in order to reach the agreement. However, Tito declared, it was not a diktat imposed on Yugoslavia by other powers but an agreement in which Yugoslavia participated as an equal member.\footnote{Novak, Trieste, 1941-1954, 461.} Scelba emphasized in presenting the London Agreement to the Senate that almost all of Zone A was returned to Italy comprising “four-fifths of the population and the most important economic part of the Free Territory.” He also reminded the Senate that broad minority rights were guaranteed to those Italians who would pass under Yugoslav jurisdiction. He admitted that the London

Agreement secured for Italy less than the Tripartite Declaration had, but stressed that Italy had obtained the best possible solution under the circumstances.  

The State Department released the announcement of the Memorandum, which among other things stressed the finality of the agreement, since Scelba was unwilling to renounce his claims to Zone B emphasizing the agreement’s provisional character. The Yugoslavs clearly intended to regard the London agreement as final. The Memorandum stated:

Today’s initiating came as a successful conclusion to conversations among the four Governments which have been carried on for eight months in an endeavor to work out arrangements for the Free Territory of Trieste which would be acceptable to Governments of Italy and Yugoslavia. The United States welcomes the understanding reached today which it believes will lead to improved relations and closed cooperation between Italy and Yugoslavia. The United States Government takes this opportunity to declare it will give no support to claims of either Yugoslavia or Italy to territory under the sovereignty of administration of the other.  

Although “the Russians were expected to protest” against the agreement as a “one-sided and illegal alternation of the Italian peace treaty,” Soviet Russia recognized the agreement, demonstrating a major shift from its previous opposition to a division of the FTT. The representative of the Soviet Union sent a letter to the president of the United Nations Security Council on October 12 saying that his government accepted the Memorandum of Understanding because it believed that the agreement would restore normal relations between Yugoslavia and Italy and contribute to the lessening of tensions in that part of Europe.  

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82 Ibid., 462.
Therefore, the Trieste negotiations were successfully concluded after "the long months of wrangling, riots, uncertainty, and tangled diplomacy." It took a full year of secret negotiations at ambassadorial level in London, fortified by American and British promises of additional economic aid to Yugoslavia, to undo the damage and arrive at the same solution proposed in October 1953, with the difference that this time the Yugoslavs were full and equal negotiating partners.\textsuperscript{85}

For the Eisenhower administration the elimination of the Trieste problem was very important because it removed a problematic distraction in Italo-Yugoslav relations and enabled both nations to stand more effectively alongside the United States in its global confrontation with the Soviet Union. This was also the conclusion of the 216\textsuperscript{th} meeting of the NSC on October 6, which expressed the opinion that the Trieste settlement strengthened the United States' position in Europe.\textsuperscript{86}

The \textit{New York Times} and \textit{Time} pointed out that the successful negotiations improved relations between Italy and Yugoslavia and secured the Mediterranean basin against the Soviets. The \textit{Times} commented that the "delicate Trieste question," after nine years of conflict, now offered the possibility for "greater security against Communist aggression in Southeast Europe." \textit{Time} declared that the Trieste settlement was "a triumph of patient US diplomacy, topped by the personal intervention of President Eisenhower with the right move at the right time." Even though the Trieste problem was never a large issue "which American publicists like to roll around in their larynxes," it stood as a "symbol of the inability of the anti-Soviet nations to settle their own disputes." At the same time,

\textsuperscript{86} "Memorandum of Discussion at the 216\textsuperscript{th} Meeting of the National Security Council," October 6, 1954, \textit{FRUS, 1952-1954}, 8:574-76.
describing in the general terms the events that resulted in success, the New York Times and Time emphasized the role of Clare Boothe Luce in the Trieste settlement. Time pointed out that the Luce’s role was important as she had “signaled Washington into a sense of urgency about Trieste.” The New York Times argued that Clare Luce was “instrumental in the elimination of the Trieste question,” and saw the settlement as a victory for Luce “who floated the problem off the reef on which it had floundered some years before her arrival in Italy.” The Times also argued

Her achievement is the more remarkable because the agreement is, in effect, a carbon copy, with a few embellishments, of the United States-British declaration of Oct. 8 1953. This declaration, under which the two nations announced their intention of withdrawing their troops from Zone A and of entrusting its administration to Italy, was originally suggested by Mrs. Luce and was made as a result of her insistence.87

Even if Clare Boothe Luce had not taken a strong personal interest in the Trieste dispute, the United States would probably have explored the possibilities that led to a lasting settlement in 1954, namely, initiating four-power negotiations and using political and economic pressure on Italy and Yugoslavia to bring about the final solution. However, it is clear that her role was crucial as she not only initiated the process that resulted in the successful Trieste settlement but also insisted on settling the dispute once and for all. She worked hard on securing the position of the United States in Southeast Europe against the threat of the Soviet Union and after the Trieste settlement pressured the Italians to ratify the EDC treaty. After October 5, Luce explained that the Trieste agreement “removed one of the most irksome and troublesome of the many problems confronting the free world,” and foresaw as the consequence of the agreement “a

strengthening of Western defenses in the Mediterranean area and an increase of trade between Italy and Yugoslavia and the other countries served by the port of Trieste."\textsuperscript{88}

CHAPTER 7

CONCLUSION

From the time that Clare Boothe Luce became the American ambassador to Italy, she involved herself in Italian domestic politics because she wanted to reduce the strength of Communism in this part of the world. She frequently contacted the Washington policymakers warning them about the "communist threat in Italy," and thereby influencing American policy. Having political influence of her own, support from the Time-Life empire of her husband, as well as direct access to President Eisenhower, Luce made her arguments felt.

Her first involvement in Italian domestic affairs came during the Italian national election campaign in June 1953, when she tried to obtain a decisive victory for the Christian Democrats. She threatened Italy with an economic boycott unless it voted for the party that the United States recommended, which was the Christian Democratic Party. However, after she failed to secure victory for the Christian Democrats, she warned the State Department about a possible communist coup in Italy. Although her assessment was unrealistic, she managed to spur action in Washington. Luce stressed that although there were many reasons for Christian Democrats’ election loss, the main reason for the June fiasco was the failure of the United States, Britain and France to implement the Tripartite Declaration from 1948, which gave Italy the whole Free Territory of Trieste. Throughout the summer of 1953, she sent her long and forceful reports on the problematic situation in
Italy, arguing that if the United States did not give Italy the whole FTT as was promised in 1948, Italy would become a communist country. She contacted the State Department and President Eisenhower, and pressured Dulles to work out a plan to solve the Trieste problem. With Luce's help Dulles came up with the October 8 decision, which terminated the AMG and divided the FTT along existing zonal lines giving Italy Zone A with the city of Trieste and leaving Zone B in the Yugoslav hands.

Instead of solving the Trieste dispute, the October 8 announcement created a new crisis between Italy and Yugoslavia that almost produced a military conflict. When the October 8 decision and Luce's initiative to solve the Trieste problem failed and the situation between Italy and Yugoslavia became troublesome, the United States and Britain decided to act more vigorously. After a few months of unsuccessful attempts, they organized a three phase negotiating process that eventually led to a successful solution. During almost nine months of secret negotiations, Luce warned the State Department about the possible civil war in Italy if a timely solution on the Trieste was not found. She continually blamed the Yugoslavs for asking for the maximum demands and prolonging the negotiations. Although her reports gave important overviews about different aspects of the Italian political life, they were not realistic as they exaggerated the danger of communism in Italy. Still, they had impact on Washington and finally produced the successful settlement that solved the Trieste dispute forever.

Certainly, Clare Luce did influence American policy in Italy and the settlement of Trieste crisis. In many cases, the forceful reports and memoranda she sent to the Department of State, and to the major policymakers, were unrealistic. However,
according to sympathetic contemporaries her mission was successful as she managed in her mandate to help contain communism in Italy and solve the Trieste dispute.
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