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DIA

INTELLIGENCE APPRAISAL

ITALY:

**REORGANIZATION OF
INTELLIGENCE AND SECURITY
SERVICES (U)**

15 NOVEMBER 1978

[REDACTED]

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Summary

(U) Three new intelligence agencies created by the intelligence reorganization law were officially established last May. The Intelligence Service for Military Security (SISMI) replaced the Defense Intelligence Service (SID), while the Intelligence Service for Democratic Security (SISDE) took the place of the Security Service. SISMI and SISDE are responsible to the Ministers of Defense and Interior, respectively. The operations of these new agencies are to be coordinated by the civilian-led Executive Committee for Intelligence and Security Services (CESIS), which reports directly to the Prime Minister.

(U) Under the reform law the Prime Minister is directly responsible for the supervision of all intelligence and security matters. To assist him an Interministerial Commission for Intelligence and Security (CIIS), composed of various ministers, has been created. Finally, legislative oversight of the intelligence reorganization is being provided by a parliamentary committee.

(U) SISMI assumes most of the functions previously held by SID, while the new civilian-oriented SISDE has been assigned responsibility for all domestic counterintelligence efforts, including such functions previously handled by SID. Since SISDE is limited to intelligence collection and has no police powers, however, a new organization has been established in the Ministry of the Interior to share responsibility for domestic antisubversive and antiterrorist activities. This body, the Central Office for General Investigations and Special Operations (UCIGOS), is responsible for investigatory, security, and judicial-police actions in support of SISDE. The functions of the Operational Intelligence and Situation Services of the army, navy, and air force continue as before, but they are defined by law and must be conducted in strict coordination and liaison with SISMI, which is the overall director of military intelligence efforts.

[REDACTED] Although the Prime Minister has declared that the new intelligence agencies were set up within the six-month deadline specified in legislation passed in October 1977, in actual practice the new structure has not been firmly established. Moreover, its form is evolving in a manner often at variance with that specified in the reform law.

[REDACTED]

[redacted]

[redacted]

In addition, Prime Minister Andreotti has issued a governmental decree that creates the post of coordinator for all antiterrorist activity in Italy and provides the President with a consultant on public security and terrorism.

[redacted]

At the policy level, CESIS has not developed the degree of influence and control over the intelligence agencies that was contemplated in the reform law.

[redacted]

Discussion

Background

(U) All intelligence and security service (I&SS) personnel were traditionally designated "soldiers of the King" and assigned to military or paramilitary national organizations. With the fall of the Italian monarchy, the I&SS made cosmetic evolutions through name changes and minor adjustments, but they continued to operate under many traditional regulations. Since these organizations have never had systematic personnel recruiting or training programs, cronyism and nepotism have played large roles in acquiring new people. The staffs have tended to be strongly conservative and have been viewed with suspicion by leftists and some centrist political parties. Moreover, strongwilled directors have periodically used their posts for personal gains, thereby damaging the public standing of the I&SS. In recent years several scandals have erupted, and their exposure has coincided with a rise in the political power of the left, particularly the Communist Party (PCI). This laid the groundwork for another overhaul of the I&SS structure.

[REDACTED]

(U) The October 1977 reform law was developed by a parliamentary commission organized on a proportional political party basis. The majority of its members represented the Christian Democratic Party (DC). However, the PCI was the next largest delegation, and the law reflects some Communist doctrine, particularly regarding centralization of police powers. The law also offers the PCI several possibilities to infiltrate, influence, and perhaps eventually control the I&SS. More generally, the law represents a compromise solution that permits the SID military organization to remain largely intact as the SISMI, but the measure creates the parallel civilian-dominated SISDE to take responsibility for domestic counterintelligence. It also theoretically subordinates all I&SS elements to the Prime Minister and the legislature.

[REDACTED] Furthermore, the reform law establishes qualifications for I&SS personnel that are so vague they can be interpreted to accommodate the political beliefs of the adjudicating authority. It specifies that persons whose actions raise questions of their fidelity to values of the republican and antifascist constitution are ineligible to join the intelligence services.

[REDACTED] Earlier this year the PCI called for the acceptance of all personnel into government service, including the I&SS, based solely on qualification and without regard for political beliefs.

I&SS Structure

(U) The Prime Minister is responsible for the organization, function, direction, and coordination of all intelligence and security activities. Advising the Prime Minister on fundamental objectives of intelligence and security policy is the Interministerial Committee for Intelligence and Security. This group is chaired by the Prime Minister and composed of the Ministers of Foreign Affairs, Interior, Justice, Defense, Industry, and Finance. The Prime Minister may also request the participation of other ministers, the directors of SISMI and SISDE, and other civilian and military authorities.

(U) Directly subordinate to the Prime Minister is the CESIS. This organization is charged with providing the Prime Minister with the information necessary to coordinate the activities of the SISMI and SISDE, to analyze their intelligence, to produce studies of domestic and international situations, and to coordinate liaison with foreign intelligence agencies. The Prime Minister appoints a civilian as Secretary General of CESIS and

[REDACTED]

determines its membership; the directors of SISMI and SISDE are permanent members of this committee. Others currently include the Chief of the Defense Staff and representatives from the Ministries of Interior and Foreign Affairs.

(U) A parliamentary committee consisting of four senators and four deputies nominated by the representative parliamentary presidents on the basis of proportional representation exercises control over the implementation and application of the intelligence reorganization law. The committee can request the Prime Minister and CESIS to provide information on the structure and activities of SISMI and SISDE. If the Prime Minister believes the committee does not have the need to know, he can refuse to furnish information. The committee can refer the matter to both houses of the Parliament. This new parliamentary committee and its role in I&SS legislation, policy, and review and control matters constitute an area of concern regarding possible access by the PCI as well as hostile intelligence interests to sensitive data passed to the Italian I&SS through NATO or other channels. The parliamentary committee currently includes four Christian Democrats, three Communists, and one Socialist.

The SISMI is directly subordinate to the Minister of Defense.

[REDACTED]

(U) Two organizations responsible for antiterrorist and antisubversion activities are under the Minister of Interior. The SISDE is directly subordinate to the Minister of the Interior. It retains some of the functions of the old Antiterrorist Inspectorate but is now apparently limited to a clandestine collection role. Investigatory, security, and judicial-police actions will be the responsibility of UCIGOS, which is under the Directorate General of Public Security. Similar activities within the military remain the province of SISMI.

Key I&SS Personalities

(U) The principal officials involved in directing and overseeing the I&SS via the CIIS include Prime Minister Andreotti, Defense Minister Ruffini, and Minister of Interior Rognoni. All are DC. The parliamentary oversight committee includes the Chairman, Erminio Pennacchini (DC); Deputy Chairman Ugo Pecchioli (PCI); and the Secretary, Alberto Cipellini of the Socialist Party (PSI).

[REDACTED]

Key military officials include Lt Gen Guiseppe Santovito, |
Director of SISMI. | [REDACTED]

Adm Fulvio Martini has been Deputy Director of both SII |
and SISMI during the reorganization period. | [REDACTED]

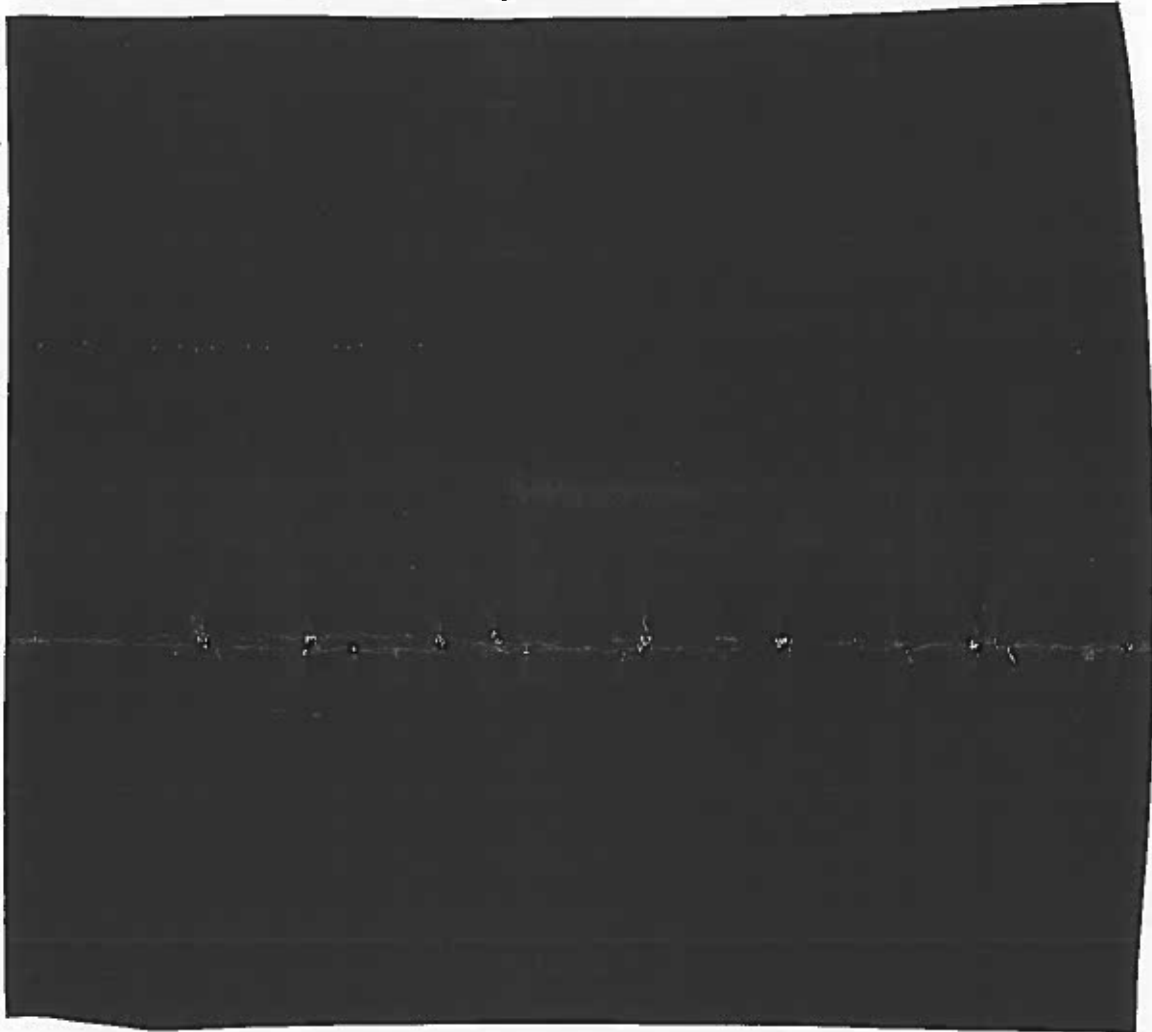
Brig Gen Giulio Grassini, a carabinieri officer, assumed the |
directorship of SISDE last February, cul- |
minating a frustrating search for a qualified |
official to head this new office. | [REDACTED]

[REDACTED]

(U) After only a few months of existence, the CESIS has already had a leadership change. Gaetano Napolitano resigned as Secretary General in April and has been succeeded by Walter Pelosi. Pelosi is 57 years old, has been in public service since 1940, and has spent most of his career in the Interior Ministry in security-related work. In addition, however, he has served in high-level administrative positions in the Office of the Prime Minister and has worked directly for the current Prime Minister, Andreotti.

Intelligence Reforms

(U) Implementation of the new I&SS structure has occurred in the highly charged public atmosphere created by the murder-kidnaping of former Prime Minister Aldo Moro by the terrorist Red Brigades. This tragic affair dominated the media and focused attention on the Italian security services. This has led to serious questioning of their effectiveness at the time of reduced efficiency caused by reorganization.

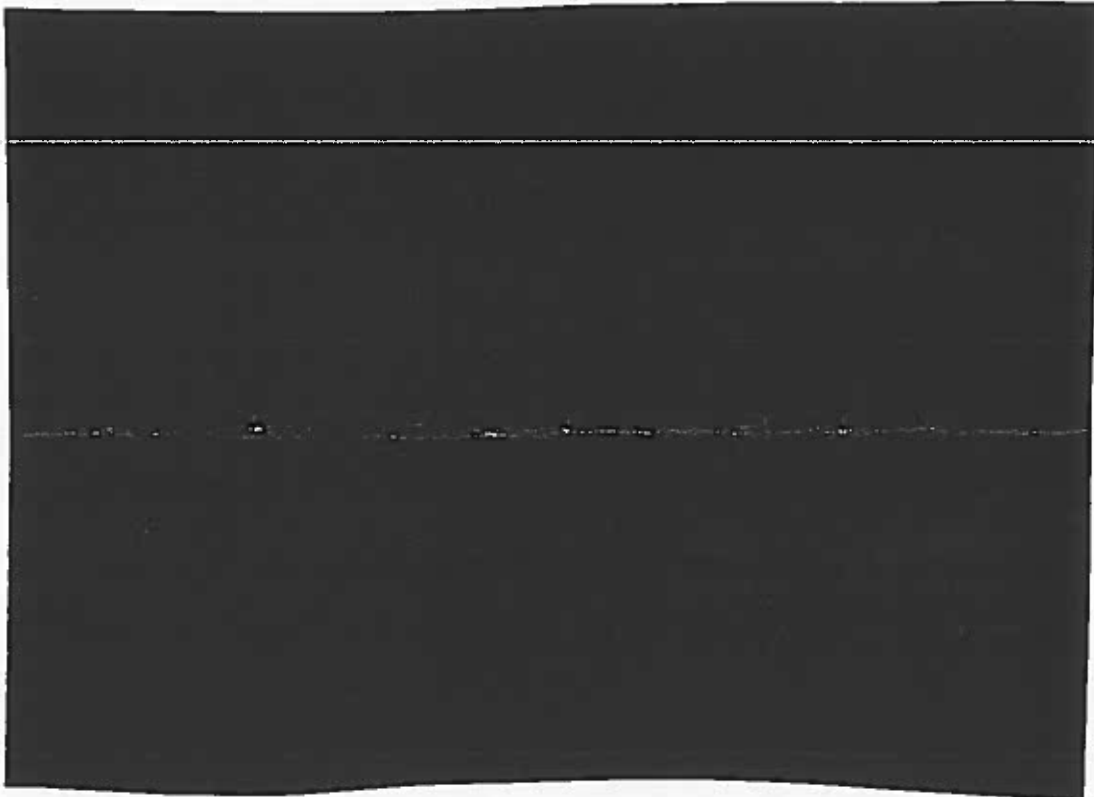


[REDACTED]


[REDACTED] Under the reform law SISDE was restricted to intelligence gathering without the powers of arrest, detention, search, or interrogation required to function comprehensively in the anti-terrorism field. UCIGOS was established within the Interior Ministry to provide these capabilities in support of SISDE, but as the latter has been slow in organizing and in developing a nationwide capability, UCIGOS has become the de facto I&SS antiterrorism arm. [REDACTED]

[REDACTED] Italian I&SS counterterrorism organization and activities are affected by Prime Minister Andreotti's recent decree. [REDACTED]

[REDACTED] The decree established the office of Special Coordinator for Anti-terrorism and named carabinieri Maj Gen Carlo dalla Chiesa to that post. Dalla Chiesa reports directly to the Interior Minister and is responsible for coordinating all antiterrorist activities. [REDACTED]



Outlook

 The Italian I&SS is in a state of flux and at least temporarily damaged by reorganization and legal considerations. The legality of the PCI is acknowledged, and PCI membership cannot be used as a legal barrier to government employment or positions with access to classified information. Increased PCI participation in critical areas of government is evidenced in the newly formed Parliamentary Oversight Committee, which has three Communist members.

