

[nail dem 3-Aug. 1943

From a report of the Italian Socialist Part;

Various negative factors are now operating very effectively in avour of the Badoglio government and against the opposition:

- resulting from

 I. The increased cost of living,/incompagement the abolition of fixed maximum prices, and the spectre of/unemployment which will follow the probable cessation of raw material supplies from Germany, are already absorbing the attention of a large section of working-class families, and making them less active in political questions.
- 2. Roesevelt's and Churchill's declarations in favour of the monarchy have created the widespread impression, even among the most active antifascist elements, that the United Nations are favouring and encouraging the Italian popular movement only just as long as it suits them, but that they will not hesitate to limit, even by force, the Italian people's right of self-determination; the support offered by the AMGOT in Sicily to the most reactionary and backward elements of the propertied classes, such as Finochiaro Aprile and the Marquis of San Giuliano, has been interpreted by every one as a not very alluring example of what the AMGOT will do later on in the rest of Italy.
- 3. The Badoglio government has set free only/inss political prisoners and internees as have given a guarantee that they will not carry on defeatist activity. At the same time there have been many arrests, especially among the Socialists, of people/whose steadfastness in fighting struggling against the war and against the monarchy has been without compromise. So that, in the ranks of the opposition, there is a sharp contrast just now between the moderate and opportunist elements on the one hand, and the radical elements on the other, with serious difficulties for the latter. The most effective argument in the hands of the opportunists is proving to be the criticism, of the Allied policy towards Italy, Despite this, however, those tavouring an attitude of opposition to Badoglio and the monarchy have still a large following, as was proved by the strikes of August 9th in Genoa.

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