

BACKGROUND

IRAN'S CURRENT POSITION ON OIL DISPUTE

- I. Will not resume relations with Britain until progress is made toward settling oil dispute.
- II. Favors an international consortium to transport and distribute Iranian oil, but AIOC must not be a majority participant.
- III. Will not permit AIOC to ask compensation for loss of future profits.
- IV. Insists that any agreement must ensure to Iran that its oil income will never "be less than the maximum accruing to others."

NSC BRIEFING

12 November 1953

Summary of ONE memorandum of 9 November

"THE SHORT TERM POLITICAL OUTLOOK IN
ITALY (through 1955)

1. Italy faces a period of political instability with the prospect of a further weakening of the democratic center and a strengthening of both right and left extremes.
 - a. Any settlement of the Trieste crisis which does not appear favorable to Italy ---- which does not approximate the US-UK 8 October decision ---- will probably lead to the fall of the Pella cabinet and further strengthen these extremes.
2. A Trieste settlement favorable to Italy would bolster the present Italian government.

- a. It would not, in itself, be sufficient to avert the weakening of the democratic center in Italy.
3. However, we believe it unlikely that during the next two years a Communist-dominated government will come to power, whether by coup or by legal means.
 - a. Any changes in the political complexion of the Italian government over the next two years are more likely to be toward the right than toward the left.
 - b. A right dictatorship, however, would be highly unlikely.