

Meryle Secrest

The Mysterious Affair at Olivetti: IBM, the CIA, and the Cold War Conspiracy to Shut Down Production of the World's First Desktop Computer

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An Industrial Saga Marred by Conspiracy Mongering

By Richard Drake

An award-winning author of a dozen biographies, Meryle Secrest in her most recent book examines the rise and fall of a great Italian industrial family, the Olivettis of Ivrea in the Piedmont region.

Camillo Olivetti, an assimilated Jew born in 1868, was named for the Italian liberal statesman Camillo Cavour. Trained as an electrical engineer, he founded a typewriter company in 1908 that would become one of the most amazing economic success stories of the twentieth century. For a capitalist entrepreneur, he developed unusual political interests and attachments. Camillo embraced the moderate reform version of socialism espoused by Filippo Turati, a founder of the Italian Socialist Party in 1892. He became friends with Turati, served as a Socialist member of the Ivrea communal council, and wrote articles that appeared in the Party's daily Turin newspaper, *Il Grido del Popolo* (*The Cry of the People*). In his factory, he intended to create a humane work environment for his employees.

Camillo's enlightened reform ideas would become dramatically augmented and realized when leadership of the company passed to his son Adriano whose mother, Luisa Revel, was a Waldensian Protestant. Founded as an ascetic movement by Peter Waldo in the twelfth century, the Waldensians were declared by the Roman Catholic Church to be heretical and endured harsh persecution. They later became part of the Calvinist tradition.

Adriano, one of the most fascinating Italians of his time, dominates Secrest's narrative almost from the beginning of the book. Though dead for sixty years, he continues to be a subject of recurrent interest in Italy. A large Italian-language scholarly and popular literature is devoted to him. In the English-speaking world, however, the extraordinary life and legacy of this international celebrity businessman and social thinker have been

largely forgotten. Secrest's errors and far-fetched conclusions mar her account, but it is to be hoped that *The Mysterious Affair at Olivetti* will help to counteract this forgetfulness.

Secrest pays careful attention to the all-important formative experiences in Adriano's youth. He inherited Camillo's Socialist politics, but his outsider mentality came from the cultural traditions of both parents. In the Roman Catholic Italy of Adriano's time, the Jews and the Waldensians were the two most important minority groups. Though baptized in the Waldensian faith, Adriano's ethnic Jewishness was never in doubt. With such a background, he naturally inclined toward cosmopolitanism. He would have preferred to be trained in the humanistic curriculum of the classical high school system, but with regret bent to Camillo's pressure and instead studied physics and mathematics at the Technical Institute of Cuneo. He enlisted in April 1918 as a seventeen-year-old in the 4th Alpine Regiment but did not see action in the Great War. Upon returning to civilian life, he earned a degree in industrial chemical engineering from the Polytechnic University of Turin and immediately began to work as an employee in his father's factory.

In the civil war that broke out in 1919 between the Socialists and Fascists, Adriano's side experienced defeat and terror. In their family home, the Olivettis hid Turati from the Fascists, who took power in 1922. The Socialist leader then went into Parisian exile, with assistance from Adriano. Another important Socialist leader, Giacomo Matteotti, was murdered in 1924 by henchmen of Benito Mussolini. This crime deepened Adriano's anti-Fascism. The Olivettis, father and son, fell under suspicion for their radical views, but not for their Jewishness. Mussolini had many Jewish supporters, and anti-Semitism would not become an issue for the regime until the following decade with Italy's fateful shift into the orbit of Adolf Hitler.

Camillo thought the time right to send his son abroad. During the 1890s, the elder Olivetti himself had spent a year in the United States, meeting Thomas Edison, visiting scientific laboratories, and teaching electrical engineering in California for a semester. He had seen a typewriter in America, a machine not in general use in Italy. After taking out patents on inventions for the advancement of typewriter technology, he had opened his company. Camillo had an abiding faith in America as a schoolroom for business and technology. In 1925, Adriano took a six-month grand tour of America, visiting 105 factories, including the Ford Motor Company complex in Highland Park, Michigan, where he witnessed the scientific organization of the work force. Returning to Italy, he would institute his own progressive version of these methods at the Olivetti factory.

Following his return from the United States, Adriano steadily rose in the Olivetti Company hierarchy. At thirty-two, he became the managing director. From this point on, Camillo began to slip into the background of the company's affairs. More charismatic and creative than his father, Adriano brought the business to new heights. He did so while indulging his strong artistic proclivities, hiring Bauhaus-inspired international and Italian architects to design Olivetti building projects. Excellence of design became a hallmark of all Olivetti products.

Marriage in a civil ceremony to the Jewish Paola Levi in 1924 (not 1927, as stated by Secret) had widened his cultural horizons. The daughter of renowned histologist Giuseppe Levi and the sister of the future novelist Natalia Levi Ginzburg, the forceful Paola had passionate artistic and intellectual interests. She convinced Adriano to move the family residence from provincial Ivrea to Milan where their home became a salon for the city's leading intellectuals, artists, and scholars. Their circle included as well political activists opposed to Mussolini.

Adriano had a complicated relationship with the regime. As Italy became a one-party aspiring totalitarian state, he and his father joined the Fascist Party for practical business reasons. He eventually set aside his blanket repugnance toward Fascism. Aspects of the Party's corporatist ideology came to hold a strong appeal for him. Mussolini and many of the leading Fascists had begun their political careers as radical Socialists. Fascism had originated as a Socialist splinter group and would retain some of its early antipathies toward capitalism. Adriano hoped for a shift in the dictatorship toward the leftist currents led by Giuseppe Bottai, who in 1923 had founded the major organ of Fascist revisionism, *Critica Fascista*. Bottai became Minister of Corporations in 1929, but he left this position three years later. Adriano's real hopes for the regime departed with him. *In Adriano Olivetti: la biografia*, first published in 1985, Valerio Occhetto reveals the vital importance of this Bottai connection for him, but Secret neglects it altogether.

Adriano's disillusionment with Fascism became complete when in the aftermath of the 1935-1936 Ethiopian War, Mussolini adopted racial laws aimed primarily at Jews. Camillo, however, "was deemed to have provided essential service to the state and was excluded," as Secret puts it. The whole family appears to have benefited from the same exclusion. As a Waldensian by baptism, Adriano possessed additional insurance against the rigors of the racial laws. He was, moreover, a vested interest in the country's economic power structure, the best insurance policy of all in fair weather and foul.

Eruptions in Adriano's personal life occurred in the mid-1930s. He and Paola had two children, but his relentless work pace left little time for family. The marriage collapsed amidst Paola's affair with the writer and painter Carlo Levi, also from Turin but not a relation. A daughter issued from this extra-marital relationship. Adriano claimed paternity in order to give the child the protection in Fascist Italy afforded by the Olivetti name.

Following the end of his marriage, he would then live with his half-Jewish secretary, Wanda Soavi, before converting to Roman Catholicism and marrying in a church ceremony Grazia Galletti in 1950. They would have a daughter. Secret draws attention to the *petit-bourgeois* background of the new wife of the cosmopolitan Adriano. When that marriage did not work out either, he formed other romantic attachments. He loved all his children but performed the role of fatherhood mainly in absentia. Such long-term fulfillment that he might have experienced appears not to have come from his personal life.

During the Second World War, Adriano “and his family were obliged to walk a fine line between their liberal humanitarian beliefs and the pretense of membership in the Fascist party they secretly opposed,” Secretst writes. He covertly aided the anti-fascist partisans. Traveling to Switzerland, Adriano established contact with Allen Dulles, the director in Europe of the US Office of Strategic Services and the future head of the Central Intelligence Agency. Adriano worked as an American agent providing information from his contacts with Italian Resistance groups. Mussolini fell from power in 1943, the same year of Camillo’s death at seventy-five. He died a Unitarian, having converted in 1934. It was a family that carried non-conformity to extremes.

In the summer of 1943, the Fascist police arrested Adriano for conspiring with the enemy. Chaos engulfed Italy after Mussolini’s fall and imprisonment that July. In the confusion, Adriano gained release from prison but for the next six months lived as a fugitive in hiding. Some of the most ferocious fighting of the war occurred during the years 1943 to 1945. The Germans still controlled much of the country. They established at Salò, in the north, a puppet republic nominally ruled by Mussolini, who had been freed from prison in a Nazi commando raid. In the context of the wider world war’s Italian theater, Fascists still loyal to Mussolini and mostly Communist partisans fought a civil war of demented cruelty that would scar Italian civic and political life for years afterwards.

Not until February 1944 did Adriano escape to Switzerland, where he resumed contact with Dulles. When peace finally came in April 1945, his American connections appeared to give him a privileged place in the postwar order. After the war, the Olivetti Company grew and prospered as never before.

The new Olivetti typewriters—the Lexikon 80 (1948) and the Lettera 22 (1950)—became cult objects for the beauty of their design. The Divisumma 24 calculating machine (1956) would sell over six million units. The Olivetti Company emerged as a world leader in the production of business machines, with a presence in all national and international markets. Adriano created associated companies abroad. Under his leadership, the firm would become one of Europe’s greatest multinational companies.

Business as a mere money-making activity never satisfied Adriano. He always had more than one life to live. Still a moderate Socialist in the postwar period, he sought to form a new political movement around the idea of local community control. In 1940, he had begun to write down his thoughts about the future of Italian democracy. These notes became the basis of his political manifesto, *L’ordine politico delle comunità dello stato secondo le leggi dello spirito* (*The Political Order of Communities of the State According to the Laws of the Spirit*), which would appear in 1945. The book presented the ideas for the community-based political movement that he launched in June 1947, the *Movimento Comunità*. His publishing house, Edizioni di Comunità, and his journal, *Comunità*, promoted publications by like-minded Italian and foreign thinkers eager to develop progressive humanitarian ideas in opposition to both oligarchic American capitalism and totalitarian Soviet Marxism.

Adriano the thinker had plans for social action as well, chiefly the problem of the Italian South. The tragic legacy of this region's economic backwardness continued to be the country's greatest national disgrace and domestic danger. He expanded his business to Pozzuoli near Naples and made other investments in the South. Eminent sociologist Franco Ferrarotti, now ninety-three, remembers him from this period, according to Secrest, as "a practical, pragmatic idealist" who believed that the profits of business should be reinvested back into the community. Ferrarotti would assume the directorship of the *Centro Studi delle Comunità* supervising sociological research projects undertaken by various groups of researchers working throughout the country. He later would say of Adriano that Italy had not deserved such a splendid leader. His like, according to Ferrarotti, has never been seen again.

In Ivrea, Adriano launched new office and building projects. He reduced the work week for Olivetti employees from forty-eight to forty-five hours, with Saturdays free and three weeks of paid vacation—all daring initiatives at the time. Salaries at Olivetti were among the highest in Italy. The company offered an exceptional range of benefits for health and child-care, home-loans, and economic assistance for transportation costs. Garden plots were provided for and encouraged. Work, he thought, should lead not to alienation but to human fulfillment. In order to train managers who shared his idealistic vision for the workplace, Adriano created in Turin the first European school of business management, the *Istituto di Perfezionamento in Scienza dell'Organizzazione Aziendale*, using not only the methods of the best American business schools, but also providing training in the industrial sociology of work.

Adriano envisaged the *Movimento Comunità* as a means of bringing his ideas into the political arena. He wrote to Dulles, seeking American support for his movement. With the Cold War getting underway, however, the United States had no interest in supporting a vaguely left-wing cause. Americans have never been very good at making distinctions among the many variations of socialism and communism. To Washington, Olivetti looked like a political crank whose good intentions could do a lot of harm to the kind of global capitalist order desired by proponents of the "American Century." It would be safer to stick with the Christian Democratic status quo (misidentified by Secrest as the "Social Democrats") and groups farther to the right where no discouraging words about socialism were likely to be heard. In 1956, Adriano became mayor of Ivrea. Two years later he gained a seat in Parliament. The *Movimento*, however, failed to take hold nationally, and his larger political vision went unrealized.

Throughout Adriano's personal and political travails, his business sense remained keen. In the 1950s, he took the Olivetti Company into the new field of electronics. Seeing the enormous potential of computers, he supported the project that in 1959 produced the Elea 9003, the first fully transistorized computer in the world. His son, Roberto, also played an important role in this chapter of the company's history. Secrest presents her book "in memory of Roberto Olivetti," a man destined always to live in his father's shadow. Though far less magnetic and captivating than his father, Roberto possessed a rare talent of his own in divining the future that computers would be creating. She gives him equal credit, alongside Adriano and a brilliant company engineer, Mario Tchou, for

developing the Programma 101, the world's first desktop computer. Its presentation in 1965 at the New York World Fair was a historic event proclaiming the end of the mechanical age and the beginning of the electronic age: "Missing from any of the chronicles is the unsung role of Roberto Olivetti," Secrest writes. She seeks to rescue him from unmerited oblivion. Tchou, the son of a Chinese diplomat and a native of Italy, holds an even more important place in her narrative.

The final chapter of the book, "The Curious Case of the Second Death," begins with an Agatha Christie quotation from *Appointment with Death*, which in part has Belgian detective Hercule Poirot observing, "the evidence is bound to be inconclusive." Secrest thus sets the tone for the scatter-shot speculations offered in explanation of the Olivetti Company's decline and fall following Adriano's death on a train to Switzerland in 1960 at age fifty-eight. The official report claimed that he died of natural causes from a heart attack or cerebral hemorrhage. She believes that he was murdered and bases her judgment largely on a fictionalized biography, *Adriano Olivetti: La forza di un sogno (Adriano Olivetti: The Force of a Dream)*, which appeared on Italian television in 2013.

In that production, the CIA and IBM—a rival firm in the electronics business—figured prominently among the suspects responsible for Adriano's death. The CIA is her main target. She cites a plethora of books critical of it as a rogue agency capable of any enormity in pursuit of America's economic aims.

Without getting into the debate about the larger questions of the CIA's moral character and democratic usefulness, it must be observed that Secrest's problems of evidence and motive overwhelm her conspiracy thesis about Adriano's death. He had suffered a heart attack in 1950 from which she admits "it took him several months to recover." The man had a bad heart. He also had high blood pressure and battled weight problems. He periodically had collapsed from nervous exhaustion. Medical factors and his brutal work schedule, which included at this time the stressful, costly, and high-risk purchase of the Hartford, Connecticut-based Underwood Typewriter Company, put him at high risk for a heart attack. The official report about his death possesses much more credibility than the wholly speculative conspiracy theory scenarios presented by Secrest involving a CIA poison gun for use on a train and the like.

Even apart from the problem of evidence, Secrest fails to provide a compelling motive for a Cold War assassination plot. She does not explain convincingly why the CIA would want to kill a long-time associate. Adriano, an acclaimed award-winning Italian capitalist of world-wide fame and well-known for his pro-American views, reviled the Soviet Union as a totalitarian disaster. He disdained the Italian Communists and opposed the Socialist Party's strategy of working with them. As a motive for the extreme resort to murder, Italy's lead in computer technology seems doubtful. Olivetti's brilliant engineers led by the visionary Tchou at the company's electronics laboratory in Barbaricina near Pisa and later in Borgolombardo near Milan were always underfunded. Adriano scrambled constantly for investment capital. On the day of his death, he was traveling to Switzerland in search of business loans.

In a November 1959 interview for *Paese Sera*, Tchou addressed his laboratory's funding problems. Technically, the Olivetti electronics engineers stood at the top of their profession. American researchers in the electronics field, however, possessed an insuperable financial advantage. They received enormous sums for research from the United States government, especially for military purposes. Even by comparison with Great Britain, Tchou lamented, the Italians lagged far to the rear in government subsidies for electronics research. He could foresee no way for Italy to keep pace with its rivals for primacy in the computer field.

With America pumping vast sums through its military-industrial complex into electronics research and development, and Adriano's company perennially starved for money by the notoriously stingy Italian government where science and technology were concerned, the Olivetti lead could not last. Neither the CIA nor IBM, the electronics arm of the military-industrial complex, needed to kill him to gain the control of the computer market they wanted. Vastly superior resources would do that for them.

As Antonio Gramsci illustrates in *The Prison Notebooks*, hegemonies work best without violence and when they are seen to be functioning according to rules and usages of the utmost legality. Conspiracies do occur in history, but to be worth considering seriously the lurid schemes concocted by Secrest must be based on something more substantial than guesswork.

The same critique applies to Secrest's conspiracy-minded interpretation of Tchou's death in an automobile crash at thirty-seven in 1961. This is the death referred to in the title of her last chapter: "In fact, it is the second death that arouses questions about both." Might this tragedy have been an "arranged accident" or a "disguised homicide?" The facts of the case do not warrant an affirmative answer. As numerous critics of *Adriano Olivetti: La forza di un sogno* pointed out in print after the program broadcast, everything about Tchou's death is consistent with an accident unframed by quotation marks.

In a January 12, 2020 *Corriere della Sera* article, Tchou's widow revealed that her husband had no worries about his safety and never mentioned any threats on his life. His accident took place on a stretch of highway ill-famed as a death trap for motorists. Moreover, we are left to presume by Secrest in her very detailed description of the accident that the surviving eighty-seven-year-old truck driver in the other vehicle had an ulterior motive in his driving that day. This is a presumption that investigating authorities have not shared. It could be that they all were incompetent or involved in the plot. Secrest does not narrow down or document the multifarious possibilities, beyond hazy insinuations of unspecified crimes of state, possibly over Tchou's interest in business dealings with Communist China. His widow, who had accompanied him on a trip to Hong Kong in 1961, maintains that after some initial interest he did not pursue negotiations with the Chinese.

For this book, Secrest has read widely in English and Italian-language sources. Moreover, the interviews that she conducted with Adriano's family members, friends, colleagues, and employees contain invaluable information about *il tocco* Olivetti, the

Olivetti touch, or the unique ways the company conducted business. Moreover, she has tracked down dozens of fascinating family and business photographs. The narrative proceeds in the highly readable manner one would expect from a veteran, best-selling biographer. The portraits of Secret's leading characters come through with verve. Yet, her flimsy thinking about conspiracies tarnishes the book.

The way Secret reasons about the deaths of Mario Tchou and Adriano Olivetti is encapsulated in her off-hand reference to the Aldo Moro murder case: "The CIA, it was suspected, had secretly used GLADIO to bring about the capture and murder of Italian prime minister Aldo Moro." In fact, at the time of his death Moro was the president of the Christian Democratic Party and the former prime minister of Italy. The reference to GLADIO concerns the code name for a clandestine NATO military operation in Cold War Italy. The Italian Christian Democratic leader had been kidnapped and murdered by the Marxist-Leninist Red Brigades in 1978. Conspiracy views of the Moro tragedy such as the one mentioned by Secret have persisted down to today. In keeping with all previous investigations by Parliament, the judicial proceedings in the case, and the most authoritative historical accounts, however, the latest parliamentary commission concluded in December 2017 that nothing had been found to bear out any of the conspiracy theories.

GLADIO figures prominently in Secret's analysis of Olivetti's death as well. She has NATO operating nefariously in Italy since 1947, two years before its creation. This is another organization that most likely could not pass a strictly graded ethics test. Such an all-purpose decoding solution for an entire period in the history of a country as complicated as Italy can succeed only following a sustained research effort based on evidence and logic. At its crucial conclusion, Secret's analysis slips its moorings from the professional standards by which historical works are judged and drifts into the realm of infinite fictive possibilities.

Professor Richard Drake, who teaches at the University of Montana in Missoula, is the author of *Charles Austin Beard: The Return of the Master Historian of American Imperialism* (Cornell University Press, 2018), *The Aldo Moro Murder Case* (Harvard University Press, 1995), and *The Revolutionary Mystique and Terrorism in Contemporary Italy* (Indiana University Press, 1989, 2nd edition forthcoming). This is his first review for *Washington Decoded*.