

Declassified E.O. 12356 Section 3.3/NND

No.

785017

ACC

10000/109/240
(VOL. V)

Declassified E.O. 12356 Section 3.3/NND No. 785017

0000/109/240
VOL. V)

ISLD REPORTS
AUG., SEPT. 1945

502.

Executive Commissioner.

At folio 453A is a report on arrests, deportations and executions carried out by the Yugoslavs in Venezia Giulia, prepared in response to AFK's request for material for the Commission of Enquiry into alleged Yugoslav atrocities in the area. Folio 487 is an appendix to the report.

This point reverts

10/9/45.

Phy

503

SS
CSO.

Extract from file & submit to CC separately

W. C. L.

Declassified E.O. 12356 Section 3.3/NND No. 785017

Extract from file 128/1015

1054

423.

Executive Consideration.

Please see folio 419 for information. Copies have been sent to
EC Venezuela and SCAD Venezuela Ciudad.

14 Aug. 45.

*Post.
for C.S.O.*

424

Ex. Comm.

Please see folio 419 for info.

W. J. P. M.

19/8 Noted +

425
426

Ex. Comm.

*For info please note folios 427 thru 444.
Latest suggested folios 435-437 thru 440 suggest interest
Prig Anderson. - I believe 431 correct interest C.G. Sect
& 439 from Sect.*

W. J. P. M.

*Also please see folios 441-450
for info. C.G. Sect may be interested
for*

19/8 Noted +

Ex. Comm

451
455

For info please note files 427 thru 444.
Related suggests files 435-437 thru 440 might interest
Prig Anderson. - I believe 431 would interest C.G. Hunt
& 429 Ecom list.

452
2/78

Also please re files 441-450
for info. C.G. Hunt may be interested
too.

Noted. 7. Pm to CAS and Ecom S.

22/8

480

Reactive Commission

Notes 462, 463, 469 + 455 for information.
455 has been seen by previous Admin. 455.477 -

2/80

CEA. He should also see 462.

3/8

MS/4/80

ExCm

414

SCAO V.6 puts up his
Comments in the recommendations
in the ISLD report at 363
in Vol IV

Si 8/8

C80

A very good reply. Please show to PM

B & I shall like the 922D refuter to see also

115/1578

Polad (B).

416.

Veneria Giulia

Attached is copy of 13 Corps AMC report, folio 412. As the ISLD
report to which this refers (flagged at folio 350 of attached volume IV) was
addressed to you, perhaps you would be kind enough to forward the comments of
SCAO, Veneria Giulia to them.

Si 8/8

Chief Staff Officer,
To the Executive Commission.

11 August 45.

414

C80

Very good reply. Please show to Board

B & I whole like the 922D report to see also

11/10/8

416.

Polad (B).

W. J. J. J.

Attached is copy of 13 Corps AEC report, folio 413. As the ISLD report to which this refers (flagged at folio 350 of attached volume IV) was addressed to you, perhaps you would be kind enough to forward the comments of SCAC, Venezia Giulia to them.

Sp. M. M. M.

Chief Staff Officer,
To the Executive Commission.

11 August 45.

417

C80

Thank you. I will do so.

Sp. M. M. M.

421

Send copies of 415 to General Keller
to 14 Venezia and SCAC Venezia

Sp. M. M. M.

11/10/8

542
RMB 501
a.k.a. p. 15
LCA 12/92
Confidential
12/92

To: Head of Chancery
British Embassy
ROME

Copy: A. Balford, Esq.,
Political Section
A.C., ROME

Colonel SAND
F.I.E.

62-61

SEP - 6 1945

From: I.S.L.D.
Home Area Allied Command

Date: 5th September, 1945

The attached report, dated 27th August, 1945, comes from SAND, from an informer who obtained the figures quoted from persons of authority in the Parties concerned.

[Signature]
Major
I.S.L.D.

R/0552

5th September, 1945

ITALY

POLITICAL

Strength of Political Parties in LEGNANO

1. A usually reliable source has supplied the following details on the strength of the political parties in LEGNANO. This town is considered of interest owing to its position as an industrial centre, and the belief current among the population of Milan that it is among the strongest centres of Communism in the Milan area.

2. The number of inscribed members to four political parties, at the end of July, was as follows:-

Communist Party:	2,300
Christian Democrat Party:	2,300
Socialist Party:	250
Action Party:	35

3. Source was unable to obtain details of the membership of the Liberal Party, which, however, is said not to exist in an organised form in this area.

4. The LEGNANO Action Party members are drawn exclusively from the local doctors and professional men generally.

the population of Milan that it is among the strongest

center of Communism in the Milan area.

2. The number of insured members to four political parties, at the end of July, was as follows:-

Communist Party:	2,300
Christian Democrat Party:	2,300
Socialist Party:	900
Action Party:	35

3. Source was unable to obtain details of the membership of the Liberal Party, which, however, is said not to exist in an organized form in this area.

4. The LIGURIO Action Party members are drawn exclusively from the local doctors and professional men generally.

50
TOP SECRET.

Ref: 542/504/80.

Confidential

12 September 1945.

SUBJECT: Report on Yugoslav Activities.

TO : Chief Commissioner.

453A
453-b

Attached is a report on arrests, deportations and executions carried out by the Yugoslavs in Venezia Giulia, prepared in response to AFHQ's request for material for the Commission of Enquiry into alleged Yugoslav atrocities in the area.

M. S. LSSW

Brigadier,
Executive Commissioner.

Incls.

(COPY TO FILE 604/80)

Declassified E.O. 12356 Section 3.3/NND No. 785017

542

Confidential
Ref: 11/917

Miss R. A. B. 11/9/45
to the pass 15
Local. Unit.

Ref.
5/12/45

SEP - 6 1945

To: Head of Chancery
British Embassy
ROME

Copy: A. Eelford, Esq.,
Political Section
A.C., ROME

Colonel DEEDS.
P.I.B.

02-01

From: I.S.L.D.
Rome Area Allied Command

Date: 3rd September, 1945

The attached report, dated 28th August to 2nd September, 1945
has been received from reliable sources.

Barnit
Major
I.S.L.D.

1048

(CSO)

ITALY

POLITICAL

Some Comments on Nenni's Present Situation and Reactions

1. a usually reliable source reports that during a conversation with RODOLFIANI, the latter told him that DEBETI was very upset at the result of the Socialist Party Congress in Paris which he feels will reduce the possibility of fusion being carried through between Italian Socialist and Communist Parties.
2. RODOLFIANI stated that there was an incident between DEBETI and VILLARDI (Editor of AVANTI) after the former's return from Paris in which he accused the latter of influencing the Italian Socialists against fusion by his articles in AVANTI, after the Paris conference.
3. The same source in conversation with SIMONE was informed by the latter that:
 - a) the motion for fusion proposed by DEBETI which was carried at the Socialist Party Congress in Rome was disguised equivocal sophistry and would not have been carried had the full implications been known and if Nenni had not blackmailed the meeting by threatening to resign from the Government.
 - b) Nenni is now persuaded that fusion must be postponed in view of the result of the Paris Congress and the uncompromising terms of LASKER and BEVIN'S references to the danger of Communism.
 - c) In view of the identical demands of the French and Italian Communists, Nenni is beginning to realize that the Communist

(Editor of AVANTI) after the former's return from Paris in which he accused the latter of influencing the Italian Socialists against fusion by his articles in AVANTI, after the Paris conference.

3.

The same source in conversation with SICHOW was informed by the latter that:

- a) the notion for fusion proposed by FERRINI which was carried out at the Socialist Party Congress in Rome was designed to avoid publicity and would not have been carried had the full implications been known and if Mennet had not blackmailed the meeting by threatening to resign from the Government.
- b) Mennet is now persuaded that fusion must be postponed in view of the result of the Paris Congress and the uncompromising terms of LASKER's and REVIN's references to the danger of Communism.
- c) In view of the identical demands of the French and Italian Communists, Mennet is beginning to realize that the Communist Parties of all countries are in fact directed by Russia.
- d) At the next meeting of the Executive Committee of the Party the notion passed at the Congress will be violently attacked by two or three of the members of the Committee who are anti-fusionist.

4.

Dr. Intemelli, a close personal friend of Mennet told another source that before the Socialist Congress in Paris, Mennet had confided to him that his position in the Socialist Party was becoming more precarious ~~due~~ to the blackmail of TOULLET.

- 2 -

- 147
5. Rossi explained to Antonelli that during the period when the two parties were working closely together, the Socialist Party was short of money and Togliatti assisted them financially, with a tacit understanding that a fusion of the two parties would be carried out to form a single proletarian bloc.
 6. Rossi described Saragat to Antonelli as a traitor. Source before drew this statement that Saragat was aware of the financial arrangements between Togliatti and Rossi.

Declassified E.O. 12356 Section 3.3/NND No. 785017

1046

TOP SECRET

190
Confidential

Ref: 542/482/50.

Subject: Political Reports.

To: Chief Financial, Defense,
Finance Sub-Committee.

Enclosed for your information is an extract from a report
from a secret source.

131 L. Talbot

Brigadier,
Executive Committee.

Encl.

Enclosed for your information is an extract from a report
from a secret source.

151 Li TAI-POT

Brigadier,
Executive Committee

Encl.

1040

1489

5 Sept. 45.

Confidential

Ref: 522/HC.

Subject: Italian Capital Levy.

To: Chief Financial Adviser,
Finance Sub-Commission.

Attached for your information is a copy
of a report received from a secret source.

E. TALBOT

CSO

To Executive Commissioner.

End.

Declassified E.O. 12356 Section 3.3/NND No. 785017

Attached for your information is a copy
of a report received from a secret source.

E. J. TULLOCH

CSO
To Executive Committee.

End.

MA 1/4

ITALY
POLITICAL

CONFIDENTIAL

1. The Italian Government is preparing plans for a capital levy on the following scale:-

- (a) 60% on those who have made profits during the war.
- (b) 40% on property owners.
- (c) 20% on all other classes.

2. All those who have got wind of this levy are withdrawing funds from banks and attempting to purchase gold. One of the main gold-markets is said to be in the Vatican city.

Note: Source has himself recently visited the Vatican to purchase gold.

1044 489

W.F.

May this please be
submitted on the
same file as the report
of which it is a part?

Q.

5/9

MR Mc BRIDE Would
Appreciate Return.
453 A.

Declassified E.O. 12356 Section 3.3/NND No. 785017

54.2 R448. *Handwritten*
a ten page *Handwritten*
Confidential Ref: 186/780
186/780 *Handwritten*

To: Head of Chancery, British Embassy, Rome. *Handwritten*
A. Halford Esq., Political Section, A.C. Rome
G2(CI), A.F.H.Q.

From: I.S.L.D.,
c/o R.A.A.C., C.M.F.

29 Aug 45 *Handwritten*
35/100 *Handwritten*

Attached are Appendices H and I which
are addenda to report No. 186/780 of 25 Aug 45.

Handwritten signature
Captain,
I.S.L.D.

(See 504)

483

483 to 486 incl.

sent to CC 12/9/45.

12/9/45.

A.

TORRE
Handwritten: Kicks 489
Confidential *the pass is*
Local Tull.

To: Head of Chancery,
British Embassy,
Rome.

Ref: 11/912
Handwritten: 30/10/45

Copy: A. Halford, Esq.,
Political Section,
A.C. Rome.

Lt. Colonel B. D. ed.,
P.I.B.,
A.F.H.Q.

G-2 (C.I.),
A.F.H.Q.

From: I.S.L.D.,
Rome Area Allied Command.

Date: 28th August, 1945. *421*

The attached report on meetings of French and
Italian Communists has been received from TORY.

Handwritten Signature
Major
I.S.L.D.

ITALY

POLITICAL

Meeting of French and Italian Communists.

1. A usually reliable source has given the following information on meetings of French and Italian Communists. Source obtained his information from an Italian sub-source, who speaks fluent French and poses as a French Communist.
2. The first meeting was held at ABRINS near BRIANCON on 22nd July. The French delegation consisted of six representatives from GENOBLA, two from Central Savoy. The Italian delegation consisted of two representatives from ALESSANDRIA, one from CUNEO, three from GEROA area, one from VERCELLI. The latter was reported to be personal secretary to Francesco LEONE, the VERCELLI Communist leader.
3. The second meeting was held on August 14th and August 16th at OOQ D'OR, BRIANCON. The Italian delegation of four included Francesco LEONE. Details of the French representatives were not reported.
4. At the second meeting sub-source was informed by an unnamed Frenchman, who allegedly attended the discussions, that:
 - a) The E.C. of the 3rd International for the Mediterranean are located at LECORRA. This H.Q. receive orders from

2. The first meeting was held at ABBIES near BRIANCON on 22nd July. The French delegation consisted of six representatives from GENOBLA, two from Central Savoy. The Italian delegation consisted of two representatives from ALESSANDRIA, one from CUNEO, three from GESSOA area, one from VERCELLI. The latter was reported to be personal secretary to Francesco LEONE, the VERCELLI Communist leader.
3. The second meeting was held on August 14th and August 16th at COQ D'OR, BRIANCON. The Italian delegation of four included Francesco LEONE. Details of the French representatives were not reported.
4. At the second meeting sub-source was informed by an unnamed Frenchman, who allegedly attended the discussions, that:
 - a) The H.Q. of the 3rd International for the Mediterranean are located at LAUDON. This H.Q. receive orders from LAUSANNE, which it passes to Spain, Italy and North Africa.
 - b) Co-ordinated demonstrations are being planned to celebrate eventual fall of Franco.
 - c) French urged the Italian: to support the Separatist Movement in Italy. Latter's reply was not known.

449

TOP SECRET

Confidential

1 September 1945.

Ref: 542/473/10.

SUBJECT: Political Report.

TO : Regional Commissioner,
LAKEHURST Region.

466

The attached report, received from a Soviet source, is passed to you for information.

E. TAILOV

Brigadier,
Executive Commissioner.

Incl.

Declassified E.O. 12356 Section 3.3/NND No. 785017

The attached report, received from a Soviet source, is passed
to you for information.

E. T. MURPHY

Brigadier,
Executive Committee.

Incl.

1040

478

TOP SECRET

Ref: 512/478/20.

1 September 1945.

Confidential

SUBJECT: Political Reports.

TO : Chief Financial Advisor,
Finance Sub-Commission.

- 458 and 477

The attached two reports, received from Secret sources, are
passed to you for information.

Brigadier,
Executive Commission.

Incls: 2.

Declassified E.O. 12356 Section 3.3/NND No. 785017

The attached two reports, received from Secret sources, are
passed to you for information.

Brigadier,
Executive Commissioner.

Incls: 2.

1039

542

Confidential

POLITICAL

The following information has been obtained from a well-placed and believed reliable source:

1. A meeting of members of the PARTINO COMMUNISTA ITALIANO was held in the GYMnasium on the evening of August 21. 30 members were present, among them STOKA and MARINO. Comrade MARINO was the chief speaker.
2. In his address he criticized the British Foreign Minister's speech, and said that England was a capitalist country and therefore against the workers.
3. He affirmed that MARINO was giving open support to the Monarchists in JACOBINIA in connection with the forthcoming elections and said that the workers in GIBRALTAR had been betrayed by MARINO.
4. The Italian Government came in for criticism because it had not lowered the voting age to 18; it was stated that this had been done to exclude the Partisans from the vote.
5. MARINO was stated to be a capitalist supplied with money by MARINO.
6. The Russian strategy against JAPAN was praised, as putting her in a strong position to extend her sphere of influence to INDIA.
7. MARINO said that it was foreseen that the PARTINO COMMUNISTA ITALIANO of VENEZIA GIBRALTAR would be dissolved by the English. It was therefore necessary to prepare lists of all its members in order to put on record the present strength of the Party.
8. Arrangements were in progress for the subdivision of the various components of the party into groups, in order to be able to hold secret meetings in the various sectors.
9. It was decided that salaries should be paid to members of action squadrons.

12 11

RHS (47)
hca. Table
29/1/11

Minister's speech, and said that England was a capitalist country and therefore against the workers.

3. He affirmed that AMALDI was giving open support to the Monarchists in RUSSIA in connection with the forthcoming elections and said that the workers in CRUZZ had been betrayed by AMALDI.

4. The Italian Government came in for criticism because it had not lowered the voting age to 18; it was stated that this had been done to exclude the Partisans from the vote.

5. PARI was stated to be a capitalist supplied with money by AMALDI.

6. The Russian strategy against JAPAN was praised, as putting her in a strong position to extend her sphere of influence to INDIA.

7. AMALDI said that it was foreseen that the PARTITO COMUNISTA AUTONOMO of VENEZIA GIULIA would be dissolved by the English. It was therefore necessary to prepare lists of all its members in order to put on record the present strength of the Party.

8. Arrangements were in progress for the subdivision of the various components of the party into groups, in order to be able to hold secret meetings in the various sectors.

9. It was decided that salaries should be paid to members of action squadrons.

10. Apart from these squads there were also being formed further C.A.P. squads to suppress the more influential personalities in the National Movement. The organizers of these were to be GIUSTINIC, URSIC, SCALIA and LUPINO.

11. AMALDI declared that their names must not be divulged and that in event of any member of these squads being arrested, he was to maintain the secrecy of the organization, and must not admit to being a member of the Communist Party, which must in no way be compromised.

785017

542

CONFIDENTIAL

1288/785

No. 0050

16 Aug 1945

31 AUG 1945

ITALY

POLITICAL

Meeting of Regional and Factory Representatives of the SINDACATI
UNICI.

The following information has been obtained from a well-placed source:

1. A meeting of 35 Regional and Factory representatives of the SINDACATI UNICI took place on Aug 14 at 2000 hrs. in the CASA PORTUOLA. The chief speakers were DOLASI and BALDINI.
2. Both violently attacked the SINDACATI GIULANI, which they described as puppets in the hands of Capitalists and Fascists, instituted to divide the people.
3. They complained that A.M.G. favoured the SINDACATI GIULANI, ~~which~~ with the result that many workers joined them. DOLASI said that factory owners brought pressure to bear on their employees by threatening to dismiss those who refused to join.
4. The firms of BELTRAME and HELLER were cited as examples.
5. Both speakers encouraged their audience to use violence if necessary and to spread propaganda against the SINDACATI GIULANI and said that a press campaign against them would be initiated in the LAVORATORE.
6. They approved the recent beating up by some workers of an employee of Lloyd Triestino who was influencing some of his colleagues to join the SINDACATI GIULANI.
7. BALDINI said that he was confident that the strength of purpose of the SINDACATI UNICI would yield good results in both the economic and political field, as was demonstrated by the victories already won, the most important of which was

P.T.O.

-2-

preventing the Allies from re-instituting the QUESTURA, the CARABINIERI and the GUARDIA DI FINANZA. This had been achieved, he said, by the demonstrations of protest that they had organised.

8. All members were asked to try and identify Fascists among the leaders of the SINDACATI GIULANI so that they could be attacked in the press.

9. They were also instructed to send a report every Friday, giving details of their factories' activities, pay, dismissals, unemployment, factory directors, distribution of food, prices etc., so as to provide information on which requests to AMG might be based.

542

0048

15 AUG 45

Confidential

ITALY

Political

Proceedings at a Meeting of the
ORGANIZZAZIONE COMUNISTA ANTONOMO
MARIA VENEZIA GIULIA

21/8/45
- ten per 6
high Talent.

The following information has been obtained from a well-placed source :

1. A meeting of the ORGANIZZAZIONE COMUNISTA ANTONOMO was held on August 11 in the cinema of the CASA PORTUALE. About 200 members were present, including representatives from CORISIA, MONPALCONE, POLA and FUSE. The principal speakers were MARINO, STOLA, GIOVANNI BALDI, ALESSANDRO DESTRA and PELLEGRI.

2. The principal business was to decide on the arrangements for a Regional Congress to be held on August 13, when a Directive Committee for the Organisation would be elected.

3. MARINO stated that it had been decided that the Press should be admitted to the Congress and that Allied representatives should be invited. In view of this it was important that the proceedings should be orderly and that agreement should previously have been reached on any points on which differences of opinion might exist. He said that about 500 delegates were expected.

4. The meeting decided that the Directive Committee should be constituted as follows :-

5 Italian representatives (the 5 names given were those of individuals with Italian names, but of Slav extraction, living in TRIESTE)

2.

The principal business was to decide on the arrangements for a Regional Congress to be held on August 12, when a Directive Committee for the Organisation would be elected.

3.

LAZINO stated that it had been decided that the Press should be admitted to the Congress and that Allied representatives should be invited. In view of this it was important that the proceedings should be orderly and that agreement should previously have been reached on any points on which differences of opinion might exist. He said that about 500 delegates were expected.

4.

The meeting decided that the Directive Committee should be constituted as follows :-

5 Italian representatives

(the 5 names given were those of individuals with Italian names, but of Slav extraction, living in Trieste)

5 Slovene representatives

(the names given were those of individuals from PROSECO, SESANA and LUDIANA).

2 Croat representatives

(the names given were those of two individuals who have lived in Trieste for many years).

5.

SPONA declared that the formation of the Committee was the answer of the workers to the C.G.L.M., which had tried to cause a split between Slovencs and Italian Communists, but

.../Sheet 2

1036

- 2 -

it was necessary for them to be still more united as the forces of reaction were strong and had gained some ground, and the battle would be hard. In this Committee Slovenes and Italians would work on equal terms, but directives would continue to be received from LUBIANA.

6. In the course of his address, PELLEGRINI stated that he was aware that VENEZIA GIULIA possessed a predominantly Italian culture and civilization, but national feelings must be disregarded when it was a question of establishing a communist regime. After the Congress, the ORGANIZZAZIONE would change its name to PARTITO COMUNISTA GIULANO.

NOTE: The names of the individuals elected to the Committee at the Congress on Aug 13th are given at Appendix "A".

Declassified E.O. 12356 Section 3.3/NND No.

785017

NOTE: The names of the individuals elected to the
Committee at the Congress on Aug 1956 are
given at Appendix "A".

1035

Appendix "A"

1472
31 AUG 1945

List of Members of the Directive Committee of the PARTITO
COMUNISTA GIULIANO elected on 13 Aug 45 :-

1. BORIS KRAJZER
2. ERMANNO SOLERI (MARINO)
3. DEAN DIMOVICH
4. GIORGIO JATSEVICH
5. GIOVANNI KESANT
6. DINA SLATICH
7. FRANCESCO NEPPAT
8. GIULIO BELTRAM
9. ALESSANDRO DESTRA DI
10. FRANCO BABICH
11. RODOLFO URSICH
12. GIUSTO MASAROTTI
13. ANTONIO UEMAR
14. VITTORIO MARKOVIC
15. EMILIO SIMILI
16. GIORGIO SESTAN

NOTES

- 1) The form of election was that the names of the prospective members were announced from the platform, and a show of hands was requested.
- 11) 16 names, and not 13 as previously agreed, were announced.

10. BRANCO RABICH
11. RODOLFO URSICH
12. GIUSEPPE MASAROTTI
13. ANTONIO UGAR
14. VITTORIO MARIQVIO
15. EMILIO SIMILI
16. GIORGIO SESTAN

NOTES

- 1) The form of election was that the names of the prospective members were announced from the platform, and a show of hands was requested.
- 11) 16 names, and not 13 as previously agreed, were announced.

Declassified E.O. 12356 Section 3.3/NND No. 785017

542
~~Confidential~~ *Handwritten: R.H.B. & the press is back. Talk.*

To: Head of Chancery,
British Embassy,
Rome.

Ref: 11/910

Copy: A. Halford, Esq.,
Political Section,
A.C. Rome.

AUG 30 1945 *Handwritten: 10/1-14*

Lt. Col. B. Deed,
P.I.B.,
A.F.M.Q.

G-2 (C.I.),
A.F.M.Q.

From: I.S.L.D.,
Rome Area Allied Command.

Date: 25th August, 1945.

The original report mentioned in paragraph 1 of the attached, which originated in our Milan office, was not sent to you, as the whole movement appeared so far fetched. In view, however, of the interest in it taken by the Communist Party in Turin, the whole report is now appended.

Handwritten signature
Major
I.S.L.D.

ITALY

POLITICAL

CHIEF

1. Reference has been made in a previous report to an organization in TURIN called the GARETU. Additional evidence which has now come to light seems to indicate that this movement has no connection with the F.C.I. and that it is little more than a collection of anarchists.

2. The source of the original report now states that FERRERO, a member of the GARETU, recently stated to FRATELLO NICOLA that he knew only three members of the GARETU. One of these had recently provided him with 3,000 lire, a suit of clothes and a pair of shoes.

3. He admitted having assisted in the "elimination" of several dangerous anti-communists. On such occasions a car was put at his disposal and he was given a Browning revolver in silence, which were withdrawn when the job had been done.

4. FERRERO referred to a colleague of his who failed to carry out a mission assigned to him by the GARETU and who was found dead a few days later. He said he cared not to obey the orders given to him and that he lived in a state of terror.

5. The Communist newspaper in TURIN, "L'UNITA", recently published a photograph of an identity card issued by the GARETU. The editor said that the card was introduced by a few unscrupulous individuals who

only three members of the GHEPU. One of these had recently provided him with 5,000 lira, a suit of clothes and a pair of shoes.

3. He admitted having assisted in the "elimination of several dangerous anti-communists". On such occasions he was put at his disposal and he was given a Browning revolver in silence, which were withdrawn when the job had been done.

4. FERRERO referred to a colleague of his who failed to carry out a mission assigned to him by the GHEPU and who was found dead a few days later. He said he dared not disobey the orders given to him and that he lived in a state of terror.

5. The Communist newspaper in TURIN, "UNITA", recently published a photograph of an identity card issued by the GHEPU. The Editor said that this card was being used by a few unscrupulous individuals who wished to discredit the Communist Party, and to provide a cloak for their own evil deeds. He declared that these individuals had in connection whatsoever with the Italian Communist Party. Previous to the publication of this article FERRERO admitted to being in possession of such an identity card.

THE CHAPIN

1. During the German occupation of North Italy many of the false documents and stamps used by the underground movement in Piedmont were made by a Roman Catholic priest, a certain Fratello NICOLA of the SCUOLA CRISTIANA. Among those with whom Fratello NICOLA became friendly by virtue of his contact with the clandestine movement was a Communist, A. FERRERO, Via Provana 5, TURIN.
2. Early in June FERRERO approached NICOLA and explained that he was a prospective candidate for a Russian Secret Service course. The course was to last six years, two of which were to be spent in Italy, two in England and two in Russia. At the end of this course he would be a qualified informer.
3. FERRERO asked NICOLA to help him make a success of this undertaking by assisting him in his present activities, which, he stated would be materially aided by the priest's acting on his behalf as a cut-out and source of information, and more particularly by his providing false documents. FERRERO did not specify on whose behalf he was now working but added that although his present activities are not part of the course his final selection as a trainee depends upon his success during this period.

2. Early in June FERRERO approached NICOLA and explained that he was a prospective candidate for a Russian Secret Service course. The course was to last six years, two of which were to be spent in Italy, two in England and two in Russia. At the end of this course he would be a qualified informer.

3. FERRERO asked NICOLA to help him make a success of this undertaking by assisting him in his present activities, which, he stated would be materially aided by the priest's acting on his behalf as a cut-out and source of information, and not particularly by his providing false documents. FERRERO did not specify on whose behalf he was now working but added that although his present activities are not part of the course his final selection as a trainee depends upon his success during this period.

4. NICOLA agreed to this request and subsequently provided FERRERO with two rubber stamps (~~prints of which are attached~~), in accordance with details supplied by FERRERO.

5. FERRERO stated these stamps would be used only for internal correspondence and in certain specific instances. Any document bearing the stamp would, in addition, carry certain misprints in the text. These and the colour of the ink would guarantee the document as genuine.

1031

- 2 -

6. An independent informant of untried reliability but who is considered trustworthy, recently attended a small communist meeting in MILAN. Those present included the following persons, already known to source, a certain MENI and three brothers named MURATORI, one of whom is believed to command the 3rd Garibaldi Division.

7. Source had not seen MENI ^{since} before the war, when he was a known anti-Fascist.

8. After the meeting the MURATORI brothers remained source of MENI and stated that he had been for some time in MOSCOW and was now a member of the GHEPEU and an official Russian agent. In support of these statements they produced a letter purporting to have been written by MENI when in the Russian capital.

9. A third, usually reliable source reports that there is at present in MILAN a Russian, MIRIKOFF, who is in contact with agents of the GHEPEU. Among those seen frequently with MIRIKOFF is Lt. CARACUCCIO, who claims to be a member of the Italian Navy but who has not yet been identified as such. His address is the Albergo Impero.

anti-Fascist.

8. After the meeting the KURAFORI brothers reminded source of MEXI and stated that he had been for some time in MOSCOW and was now a member of the GHEPZU and an official Russian agent. In support of these statements they produced a letter purporting to have been written by MEXI then in the Russian capital.

9. A third, usually reliable source reports that there is at present in MILAN a Russian, KIRIKOFF, who is in contact with agents of the GHEPZU. Among those seen frequently with KIRIKOFF is Lt. CARACOCLO, who claims to be a member of the Italian Navy but who has not yet been identified as such. His address is the Albergo Ispero.

142
Confidential - see to
Lt. Col. Talbot.

To: Head of Chancery,
British Embassy,
Rome.

Ref: 11/908

Copy: A. Halford, Esq.,
Political Section,
A.C. Rome.

From: I.S.L.D.,
Rome Area Allied Command.

Date: 24th August, 1945.

1. Attached is a report on a Partisan Military
Headquarters in Milan dated 15th August, 1945.

2. Source of this report is SAND.

Samuel
Major
I.S.L.D.

1020

A PARTISAN MILITARY H.Q. IN MILAN.

1. A partisan military H.Q. is reliably reported to have been established in the ALFA ROMEO Works at 33 Via Ulpio Traiano, Milan, where arms, including at least one heavy or medium machine gun, are now hidden.
2. Important members of this H.Q. include the leader - a certain MASETTI, GIORGIO FIORINI, REMO MATTARELLO and FABIANI (Christian names unknown).
3. In the event of military action this H.Q. would come under the command of MAGNANI, a vice-commissar of the Works. It is asserted by source that MAGNANI acts only on orders received from the Communist Party.

542

Confidential

Handwritten: *Atch B*
at the pass to
Local Talit.

To: Head of Chancery,
British Embassy,
Rome.

Raf: 11/907

Copy: A. Halford, Esq.,
Political Section,
A.C. Rome.

From: I. S. L. D.,
Rome Area Allied Command.

Date: 24th August, 1945.

1. Attached is a report on the GRUPPO COMUNISTA LIBERATORIO, and copies nos. 6 and 7 of IL COMUNISTA LIBERTARIO (latter for Head of Chancery only).
2. Source of the report, which is dated 14th August 1945, is ANCHOR.
3. May the copies of the newspaper please be passed to Mr. Benton when you have finished with them.

Handwritten signature
Major
I. S. L. D.

THE GRUPPO COMUNISTA LIBERATORIO

1. The following information, from a usually reliable source, has been received regarding the GRUPPO COMUNISTA LIBERATORIO, a dissident Communist group to which reference has been made in a previous report.

2. The GRUPPO COMUNISTA LIBERATORIO has its H.Q. at 1 Via Ronagnoni and is led by MICHELE CONCORDIA, who is assisted in his political work by a woman, LIA, who lives at 12 Via del Caravaggio and is thought to be his mistress.

3. In conversation with source CONCORDIA stated the G.C.L. to derive its origins from the 1st International, to be bitterly opposed to orthodox Communism and to be an attempt to group into one party all anarchists and other elements who believe in fighting for complete personal freedom.

4. CONCORDIA claims that the G.C.L. has over 10,000 inscribed members in Milan itself and considerably more in the province of Lombardy. Source states the group to be affiliated to the FEDERAZIONE COMUNISTA LIBERATORIA LOMBARDA, which issues a weekly

a previous report.

2. The GRUPPO COMUNISTA LIBERATORIO has its H.Q. at 1 Via Romagnosi and is led by MICHELE CONCORDIA, who is assisted in his political work by a woman, LIA, who lives at 12 Via del Caravaggio and is thought to be his mistress.
3. In conversation with source CONCORDIA stated the G.C.L. to derive its origins from the 1st International, to be bitterly opposed to orthodox Communism and to be an attempt to group into one party all anarchists and other elements who believe in fighting for complete personal freedom.
4. CONCORDIA claims that the G.C.L. has over 10,000 inscribed members in Milan itself and considerably more in the province of Lombardy. Source states the group to be affiliated to the FEDERAZIONE COMUNISTA LIBERATORIA LOMBARDA, which issues a weekly newspaper in MILAN and which, it appears, is itself connected with a Rome publication.

1927

522
ITALY

POLITICAL

COMMUNIST ACTIVITIES IN ITALY.

804/15

24.8.45

Alm RACB
+ temp pass to
local talent.
AUG 30 1945
Hh
17/10/15

1. Source states that considerable funds are being sent to P.C.I. from Russian sources via route LJUBLJANA-TRIESTE-MILAN. He states 240 million lire have been sent in the last two months and says two Russian officers described as proceeding from LJUBLJANA to Milan on July 31 were couriers carrying last consignment of funds.
2. He states many Yugo Slav agents being sent to France via LJUBLJANA- TRIESTE- MERANO-SWITZERLAND.
3. He states that a group of Russian agents will shortly proceed to MERANO. Further destination as yet unknown but source thinks he will be able give full particulars of group and destination later.
4. He states plans are now being made in LJUBLJANA for a coup d'etat to seize TRIESTE in the event of area not being ceded to Yugo Slavs at Peace Conference and says although it is very thinly garrisoned the area will be re-inforced in course of next month with troops to provide an assault force for purpose.

Handwritten: 11/904
Confidential

Handwritten: 11/904
Handwritten: 11/904
Handwritten: 11/904

To: Head of Chancery,
British Embassy,
Rome.

Ref. 11/904.

Copy: A. Halford, Esq.,
Political Section,
A.C. Rome.

AUG 30 1945

Lt. Col. B. Deed,
F.I.B.,
A.F.H.Q.

From: I.S.L.D.,
Rome Area Allied Command.

Date: 23rd August, 1945.

The attached report, dated 15-20th August 1945, has
been received from a reliable source.

Handwritten: Calum
Major
I.S.L.D.

ITALY

POLITICAL

Opposition in the Socialist Party in Milan
to Union with the
Communist Party.

1. A meeting of moderate Socialists convoked by GUEPPI (Sindaco of Milan) was held in Milan early in August to discuss the decision taken at the Socialist Party Congress for union with the Communist Party.
2. The meeting was private, less than fifty members being invited, but SARAGAT and SILONE were amongst those present.
3. The general opinion expressed at the meeting was that the union greatly strengthened the Communist Party, and in effect sanctioned the illegal methods which the latter adopts in the pursuance of its political aims. It was thought that the union might well be the cause of a national crisis which would bring Italy close within the Russian orbit.
4. A notion that moderate Socialists should immediately detach themselves from the main body of the Party and constitute a Socialist Party (not of 'Unita Proletaria') was given serious consideration, but was finally rejected, it being generally felt that moderate members could do more to restrain the LENINI-PZEFINI policy by remaining within the Socialist Party, than by constituting another Party.

2. The meeting was private, less than fifty persons being invited, but SARAGAT and SILEONE were amongst those present.

3. The general opinion expressed at the meeting was that the union greatly strengthened the Communist Party, and in effect sanctioned the illegal methods which the latter adopts in the pursuance of its political aims. It was thought that the union might well be the cause of a national crisis which would bring Italy close within the Russian orbit.

4. A notion that moderate Socialists should immediately detach themselves from the main body of the Party and constitute a Socialist Party (not of 'Unita Proletaria') was given serious consideration, but was finally rejected, it being generally felt that moderate members could do more to restrain the Nenni-Grignani policy by remaining within the Socialist Party, than by constituting another Party.

5. No definite decisions were taken, the upshot of the meeting being a reaffirmation of the moderate Socialists' determination to prevent the Socialist Party from drifting to the extreme left.

6. SARAGAT's opposition to the union of the Socialist and Communist parties is well known. According to a source in close touch with SILEONE, SARAGAT is alleged to have said that he wishes to be relieved of his present appointment as Ambassador in Paris in order to return to Italy, and keep a close check on NENNI.

186/778

22.8.45

CONFIDENTIAL

ITALY

POLITICAL

REPATRIATION OF SLOVENES

1. A request has been or will be made by the Yugoslav authorities for the repatriation of Slovenes who left Italian territory owing to Fascist persecutions.
2. The total number of emigrants given by the Yugoslav authorities is 70,000 for the Venezia Giulia. This number does not tally with official figures at the Town Hall in TRIESTE. According to a well informed source the maximum number of emigrants is approximately 1500.

TOP SECRET
CONFIDENTIAL

21 Aug 45

to the pass to S
LACR. T. H. H.

Finance S/C sh in this.

AUG 30 1945

The following information has been obtained from a source which is believed to be reliable.

1. A group of Poles, belonging to the Polish Forces in ITALY has been engaged for the past eighteen months in contraband currency traffic. The organization is said to have its roots in Polish Corps HQ and to be run by Staff Officers and NCOs rather than combatant troops. A large number of individuals is said to be now involved.
2. The traffic is said to have been organized as follows. Sovereigns, Napoleons and Swiss francs were purchased in EGYPT and PALESTINE and resold at a considerable profit in ITALY. At the present moment a sovereign realises up to 20,000 lire. With a proportion of the lire thus realised, silk, works of art and curios were purchased, which were sent by air or sea to EGYPT disguised as military stores, where they were resold. Lire which were not used for making purchases in ITALY were paid through unit paymasters into the account of individuals expecting to return to England. The sums credited were drawn in Bank of England notes in ENGLAND and either forwarded to Italy by couriers or taken personally if the individual who had drawn them was returning to Italy. In Italy they were resold for lire. A £1 note at the present moment realises up to 2,000 lire in Italy.
3. The organization is said to be divided into two main groups. One works in the LACRO and the ABRUZZI; the other operates in northern Italy and has carried out transactions in Milan, Bergamo, Verona, Bolzano, and Venice. Members of the latter group, who were in Venice on July 1 stated that they were intending to extend their activities to Innsbruck and Vienna as they found Venice unprofitable.
4. Other members of the organization are reported to have been already at work in Germany and Austria where they have used gold to purchase optical material (binoculars, cameras etc.) and stamps, and in Yugoslavia, where members of the organization have purchased lire for gold. The current value of a sovereign in Lubiana is up to 40,000 lire.

-2-

5. The group operating in Venice is composed of three individuals. They wear British uniform, with the Polish flash on the shoulder. They used to visit Venice approximately once a week until recently and stayed either at the Angelo Hotel or at another the name of which is not known. They frequent a cafe which is under the PSC office. They travel in an army vehicle which is left in the Roma garage. They have not been seen in Venice since July 1st.

6. Following are personal details of the three men seen in Venice.

- a) Reddish hair; gold teeth; Jewish nose; medium height; speaks good Italian.
- b) Tall; strongly built; dark skinned; aquiline nose.
- c) Small; thin olive complexioned.

542
Confidential

DIRECTIVE FOR THE ITALIAN COMMUNIST PARTY

186/774

18.8.45

AUG 20/45

1. A P.C.I. Bulletin, dated July 26th, contains a warning from the Secretariat of the P.C.I., addressed to all federations, against the dangers of penetration by individuals with subversive aims, describing themselves as Soviet, Yugoslav, or Partisan officials.

2. Instances of attempted penetration or provocation are quoted. P.C.I. sections at BIELLA, CAMEBASSO and PUELLA have received visits from such individuals, who have given provocative advice and have incited comrades to form armed organisations.

3. The Directorate warns all sections that anyone presenting himself with a proposal of this nature is to be considered an agent provocateur in the service of a foreign or national espionage organisation, and must therefore be publicly denounced to the workers.

4. All such cases must be reported immediately to the Party Secretariat and if possible a photograph secured.

TOP SECRET

455

Confidential: 451.

Ref: 542/455/20.

24 August 1945.

SUBJECT: Political Report.

TO : Economic Section.

429

The attached report, received from a Secret source, is passed to you for information.

A. B. ARNOLDY.

Chief Staff Officer,
To the Executive Commissioner.

Incl.

1519

PA
4/8

453A

453 A to 453 P

sent to C. C. 12/9/45.

12/9/45.

AA.

To: Head of Chancery,
British Embassy,
Rome.

Ref: 11/890

Copy: A. Halford, Esq.,
Political Section,
A.C. Rome.

P.I.B. (Colonel Deed),
A.F.H.Q.

A.C. of S. B-2.(C.I.),
A.F.H.Q.

AUG 21 1945

From: I.S.L.D.,
Rome Area Allied Command.

Date: 11th August, 1945.

1. The attached report on Communist intentions in the North has been compiled from information received from a number of sources.

2. There have been similar stories of impending Communist uprisings since the liberation of the North, and consistent rumours in the South for over a year.

3. LIZZARDI stated recently during a private conversation with certain Turin industrialists that he was convinced from his close contact with Communist Party leaders, and in this connection he particularly mentioned TOLLATI, that for the moment at any

From: I.S.L.D.,

Home Area Allied Command.

Date: 11th August, 1945.

Declassified E.O. 12356 Section 3.3/NND No. 785017

1. The attached report on Communist intentions in the North has been compiled from information received from a number of sources.
2. There have been similar stories of impending Communist uprisings since the liberation of the North, and consistent rumours in the South for over a year.
3. LIZIASHI stated recently during a private conversation with certain Turin industrialists that he was convinced from his close contact with Communist Party leaders, and in this connection he particularly mentioned TULLIARI, that for the moment at any rate, and by this he said he meant at least two or three years, the Communists were not interested in any incident which would bring discredit on their party and that they do not want to take over the Government of Italy in the country's present state.
4. CAMERANI, a director of FIAT and one of the industrialists who have subscribed to anti Communist funds, told source that he could not believe that about twenty different informers could report the same thing at the same time, unless the rumour was being deliberately spread.

10/11/45
Stalwart
Major
I.S.L.D.

(Copy Retained)

ITALY

POLITICAL

ALLEGED INTENTIONS OF COMMUNIST PARTY
IN NORTH ITALY

1. Rumours are current in the North of Italy of an impending Communist uprising. Earlier reports suggested that the insurrection was timed for the middle of August, but it is now said that it has been postponed until the beginning of September.
2. Evidence of this intention is assumed from the following:
 - a) The Communist "Servizio Informazioni" headed by Signora SILVERIO in Turin is engaged in determining Allied troop locations in North West Italy.
 - b) About two weeks ago several observers in the Cuneese area (Pellotto - Val dell'Orco) reported that Communist partisans were buying hundreds of wooden boxes, apparently to pack ammunition. A case has recently been reported of Communists offering as much as 60,000 lire to Italian guards of an arms dump in the Turin area in return for a few arms.

Communist uprising. Earlier reports suggested that the insurrection was timed for the middle of August, but it is now said that it has been postponed until the beginning of September.

2. Evidence of this intention is assumed from the following:

- a) The Communist "Servizio Informazioni" headed by Signora SILVERIO in Turin is engaged in determining Allied troop locations in North West Italy.
- b) About two weeks ago several observers in the Ossavene area (Zalotto - Val Coll'Orco) reported that Communist partisans were buying hundreds of wooden boxes, apparently to pack ammunition. A case has recently been reported of Communists offering as much as 60,000 lire to Italian guards of an arms dump in the Turin area in return for a few arms.
- c) Active recruiting by the Communist Party, especially among partisans and ex-internees from Germany. These men have to report to recruiting centres and take an oath. They are then clothed, fed and paid 4,000 lire a month. Neither the locations of the recruiting centres nor the import of the oath are specified by source.
- d) Communist partisans in Courmayeur - Pont Courmayeur were reported as saying that they had completed their preparations and were awaiting the signal for revolt.

1916

1 Aug

- 2 -

3. Ing. SCHIATO CAMPO, one of the leaders of the MOVIMENTO BRIGOLARI DI SOLIDARIETA ITALIANA, told a source that members of his organization have penetrated the P.C.I. and had reported that the Communists have received orders to keep the nation in a state of chaos which they can turn to their advantage at the opportune moment. This chaos to be achieved by:-

- a) Engaging in activities which will completely devalue the lira.
- b) Using all possible means to bankrupt the bigger industrialists and then to take over the factories "legally". Methods to be used are refusal to work and continual agitation for increased wages.

4. It is reported from one source that the planning of the uprising is under the direct control of Marshal ZUKHOV who is said to have had emissaries (including his son) in Italy for some weeks. An independent source has also reported the presence of Marshal ZUKHOV's son in Milan where he is known under the name of Liout. BRUNI.

5. Marchese FRACASSI, a former Commander of an autonomous Brigade of Partisans, who now runs an information service financed by the industrialists, reported that there is so much evidence of a coming revolt that he is contemplating the reorganization of his autonomous formation, for which purpose he proposed to ask the industrialists

He added that the Communists

b) Using all possible means to disrupt the lives of industrialists and then to take over the factories "legally". Methods to be used are refusal to work and continued agitation for increased wages.

4. It is reported from one source that the planning of the uprising is under the direct control of Marshal ZUKHOV who is said to have had emissaries (including his son) in Italy for some weeks. An independent source has also reported the presence of Marshal ZUKHOV's son in Milan where he is known under the name of Lieut. BRUSH.

5. Marchese FRACASSI, a former Commander of an autonomous Brigade of Partisans, who now runs an information service financed by the industrialists, reported that there is so much evidence of a coming revolt that he is contemplating the reorganization of his autonomous formation, for which purpose he proposed to ask the industrialists for greatly increased financial backing. He added that the Communists had obtained considerable control over public administration and that he felt sure they were bent on creating disorder for the attainment of Party ends.

6. c) FRACASSI gave the following as an estimate of the armed forces that could be called upon by the right-wing in the event of a Communist rising:

...../.....

- 3 -

LANCE	-	Commanders MAURI and BOGLIOLO	-	2,000 men
MONTESALESE	-	Commander COGA	-	500 men
VAL DIAGOTA	-	Commander TIO	-	100 men
LOTER CANAVESE	-	Commanders CASSELLA and PINO	-	200 men
MONTERRATO	-	Commander CARRELLI	-	500 men
VAL SUSa and CRISONE	-	Commanders MARCELLIN and others	-	500 men
CASALESE and ALESSANDRINO	-	Commander MALETTA	-	200 men
UPPER and LOWER NOVARESE	-	Former 10 Partisan Divisions of DIDIO formation. No commander yet chosen.	-	2,000 men
VALESOTTO and OLLASCO	-	Commander FRASSATI	-	500 men

Total: 5,500 men

b) FRACASSI was unable to give details of forces available south of the Po or of the Bergamo and Brescia areas, but he thought that General MASINI would be able to rally one thousand men of the FIANIS YEDDI.

c) He felt that these figures represented the minimum number of armed men who would certainly answer any call, but he estimated that 20,000 men could be recruited in Lombardy and Piedmont without difficulty.

7.7a) The other side of the picture was obtained by another source

UPPER and LOWER NOVARESE - Former 10 Partisan

Divisions of DIDIO formation. No commander

yet chosen.

- 2,000 men

VALSOTTO and ONASSO - Commander FRASSATI - 500 men

Total: 5,500 men

b) FRACASSI was unable to give details of forces available south of the Po or of the Bergamas and Brescia areas, but he thought that General MASINI would be able to rally one thousand men of the PLAZA VERDI.

c) He felt that those figures represented the minimum number of armed men who would certainly answer any call, but he estimated that 20,000 men could be recruited in Lombardy and Piedmont without difficulty.

7.7a) The other side of the picture was obtained by another source from the three LUNARONI brothers (one of whom commanded the Communist 3rd Division LOMBARDA, while the other two were in the SERVIZIO POLIZIA DEL OLTR PO) and FAUSTO who commanded various Communist brigades in the Piacenza area. Their opinions on the possibility of a Communist uprising is summed up by source as follows:

(1) As long as there are Americans or British troops

in Europe an armed insurrection would be madness.

(11) Any insurrection which is not a national movement

would be harmful to the Party promoting it, because

it would alienate the population.

- 4 -

(111) As long as Russia's intentions are not known

Italian Communism can only try to keep step with

European Communism, and not take isolated action.

(b) The same source asked PAJETTA of the Communist Executive in

Milan, whether it would not be possible to hold a large-scale

demonstration and then to instigate the masses to armed revolt.

PAJETTA replied that any such scheme would require so much

preparation beforehand that the Allies would certainly not to

know of it. It would also be impossible to carry out the

necessary movement of arms and ammunition without the knowledge

of the Allies. More important still, in PAJETTA's opinion,

were the moral difficulties. The Italian population at present

is not psychologically prepared for an armed revolt. It is

tired of violence and any Party that tried to win power with

violence would incur the wrath and opposition of the whole Italian

nation.

NOTE: The MOVIMENTO TRICOLORI DI SOLIDARIETA ITALIANA was formed

in Milan in the middle of July following meetings held there by

General Bascivergn in connection with his MOVIMENTO DEL CENTRO

DEMOCRATICO.

know of it. It would also be impossible to carry out the necessary movement of arms and recruitment without the knowledge of the Allies. More important still, in PAVETTA's opinion, were the moral difficulties. The Italian population at present is not psychologically prepared for an armed revolt. It is tired of violence and any Party that tried to win power with violence would incur the wrath and opposition of the whole Italian nation.

NOTE: The MOVIMENTO TRICOLORI DI SOLIDARIETA ITALIANA was formed in Milan in the middle of July following meetings held there by General Beniciverga in connection with his MOVIMENTO DEL CENTRO DEMOCRATICO.

1013

Declassified E.O. 12356 Section 3.3/NND No. 785017

542
TOP SECRET
Confidential
To: Head of Chancery,
British Embassy,
Rome.

Ref: 11/555

AUG 2 1945

Copy: A. Harford, Esq.,
Political Section,
A.C. Rome.

From: I.S.L.D.,
Rome Area Allied Command.

Date: 12th August, 1945.

The attached report on the situation at VILLA
DEL NEVOSO, dated 1st August, has been received from a
source who is believed to be reliable.

Major
I.S.L.D.

(Copy Attached)

1012

1048

Declassified E.O. 12356 Section 3.3/NND No. 785017

Subject: Situation - VILLA DEL NAVOSO

3FLB/I/533

1 Aug 45

1. Food conditions are deteriorating. New taxes have been imposed, and all cattle and fodder have been requisitioned by the Yugoslav authorities. All machinery has been removed from the town; the two main workshops of VILLA DEL NAVOSO, Garage CIGADA and UNSEH, have been pillaged completely.
2. All the bridges in the area are being rebuilt under the supervision of a rich wood merchant named SAMBA.
3. The following troops are in the area:-
 - a) VILLA DEL NAVOSO A garrison of 1,000 men, well equipped and disposing of a small number of tanks.
 - b) S. PIETRO DEL CARSO A garrison of 400 men billeted in the PRIMUS fort and manning the battery in the fort.
 - c) CASTELNUOVO A garrison of 500 infantry.
 - d) OLANA A small quantity of artillery.
 - e) PRIMANO A garrison of 150 infantry.
 - f) FONTANA DEL CONTE A garrison of 100 infantry.
4. A force of approximately 1,000 men recently left VILLA DEL NAVOSO bound for the POST MIL/SERO ZICHIA area. All were fairly well equipped and armed, 50% with rifles and light machine guns.
5. Increasing troop movements have been noted along the roads leading into TRISTE. Armed groups in civilian clothing are frequently noted along the RIBANIZIA/AURAMIANZ road.

542

Two

Ref: 11/577

AUG 21 1945

To: Head of Chancery
British Embassy
ROME

Copy: A. Halford, Esq.,
Political Section
A.C., ROME

Lieut. Colonel Cameron Curry

From: I.S.L.D.
Rome Area Allied Command

Date: 6th August, 1945

Attached is a report on the first attempt at
rapprochement between Labour and Industrialists.
Our 11/357 of 31st July, 1945 refers.

Major
I.S.L.D.

Confidential - see para 5
Lieut. Colonel

Copy: Address with
Lieut. Colonel Curry

11/577
see

100.000
Rome Area Allied Command

Date: 6th August, 1945

Attached is a report on the first attempt at
reapprochement between Labour and industrialists.
Our 11/857 of 31st July, 1945 refers.

[Signature]
Major
I.S.L.D.

1510

ITALY

POLITICAL / ECONOMIC

FIRST ATTEMPT AT APPROACHMENT BETWEEN LABOUR AND INDUSTRIALISTS

1. Reference has been made in an earlier report to the reaction of VALETTA, Director General of FIAT, to the proposals made by LIZZARDI, one of the Secretaries of the Confederation of Labour, for the resumption of work by the industrialists of the North, on certain guarantees given by the Confederation of Labour.
2. On August 3rd a meeting was arranged between LIZZARDI, VALETTA, POGLIA, an official of FIAT, and Professor FEE, Director of the Italian Association of Stock Exchanges. This meeting was attended by a reliable source who reports that after an exchange of views, it was decided by both sides that the interests of Italy would be best served by having an understanding between the industrialists and the Confederation of Labour, representing the workers.
3. To achieve this end it was decided that VALETTA should return immediately to the North to explain the situation to the industrialists, and that Professor FEE would contact important industrial interests in Rome for the same purpose and would make an official approach to LIZZARDI in the latter's position as one of the Secretaries of the Confederation of Labour, to lay the foundation of a working agreement.

Confederation of Labour.

2. On August 3rd a meeting was arranged between LIGZARDI, VALENTA, POGLIA, an official of FIAT, and Professor FEE, Director of the Italian Association of Stock Companies. This meeting was attended by a reliable source who reports that after an exchange of views, it was decided by both sides that the interests of Italy would be best served by having an understanding between the industrialists and the Confederation of Labour, representing the workers.
3. To achieve this end it was decided that VALENTA should return immediately to the North to explain the situation to the industrialists, and that Professor FEE would contact important industrial interests in Rome for the same purpose and would make an official approach to LIGZARDI in the latter's position as one of the Secretaries of the Confederation of Labour, to lay the foundations of a working agreement.

To: Head of Chancery

British Embassy
ROME

Copy: A. Helford, Esq.,
Political Section
A.C., ROME

Lt/Col Cameron Curry

From: I.S.L.D.

Rome Area Allied Command

Date: 5th August, 1945

The attached report on the future direction of

FIAT, has been received from a very reliable source,

dated 1st - 3rd August, 1945.

Major

I.S.L.D.

Ref: 11/875

AUG 21 1945

HEAD TALK.

You might like to
show this to
Anderson

[Handwritten signature]

Declassified E.O. 12356 Section 3.3/NND No. 785017

The attached report on the Future direction of
FIAT, has been received from a very reliable source,
dated 1st - 3rd August, 1945.


Major

I.S.L.D.

1000

1000

ITALY

ECONOMICO

FUTURE DIRECTION OF FIAT

1. Negotiations began early in July, sponsored by the former management of FIAT, for a new form of direction to be instituted in the Works. The management was prompted to do this by the growing discontent among the workers.
2. Early discussions between VALENTA, Director General of FIAT and CRONCHI, Minister of Industry and Commerce, resulted in a letter written by the latter to Colonel MARSHALL, the American Regional Commissioner in TURIN, advising him to suppress the present managing Committee of four and appoint a Commissioner in its place. In this letter CRONCHI suggested two people whom he considered suitable for the job.
3. This letter was handed to Colonel Marshall, but no action was taken on VALENTA at that time considered the moment inopportune to make any drastic change without the approval of leaders of the Left Wing Parties.
4. These negotiations culminated in an unofficial private meeting held in 1942 on August 1st. A reliable source who attended this meeting reports that the following were present:-

LIMBACHI: Member of the Directorate of the Socialist Party and one of the Secretaries of the General Confederation of Labour.

PASSONI: Prefect of TURIN and member of the Socialist Party.

to Colonel KANGSALLI, the American National Commissioner in TURIN, advising him to suppress the present managing Committee of four and appoint a Commissioner in its place. In this latter CRUNCHI suggested two people whom he considered suitable for the job.

3. This letter was handed to Colonel KANGSALLI, but no action was taken on VALENTA at that time considered the amount involved to make any drastic change without the approval of leaders of the Left Wing Parties.

4. These negotiations culminated in an unofficial private meeting held in CRUNCHI on August 1st. A reliable source who attended this meeting reports that the following were present:-

- | | |
|----------|--|
| CRUNCHI: | Member of the Directorate of the Socialist Party and one of the Secretaries of the General Confederation of Labour. |
| CRUNCHI: | Professor of TURIN and member of the Socialist Party |
| CRUNCHI: | One of the Secretaries of the Confederation of Labour of TURIN and one of the leaders of the Socialist Party in TURIN. |
| CRUNCHI: | Member of the Socialist Party in PADUA, and Professor at TURIN University. |
| VALENTA: | Director General of FIAT. |
| CRUNCHI: | Official of FIAT. |

1907

/

- 2 -

5. During the meeting it was decided that CAVINATO, who was one of the two men mentioned in GRONCHI's letter, should be given a position either as head of the present Committee or as the sole Commissioner. LIZIABRI suggested that CAVINATO would be acceptable to the Federation of Labour.
6. Following this unofficial decision VALETTA and PASSONI visited RENZI, Secretary of the Socialist Party and Vice Premier, and Bresio, Vice Premier, to ascertain their views on the matter. At the meeting held to obtain their opinion, which was forthcoming.
7. With this official backing VALETTA and PASSONI saw GRONCHI, who stated that he would agree to CAVINATO being nominated sole Commissioner, but did not want the Committee to have any further executive powers, though he was prepared to let it remain as a consultative body.
8. GRONCHI has now told VALETTA to return to TURIN to see Colonel Marshall, advising him of his decision and asking him to take action.

NOTE: CAVINATO is a friend of FOLLIA and it was the latter who suggested his nomination. He has the confidence of VALETTA, who has previously mentioned RENZI and the other Socialists, who asked him unofficially to do so, to give

Secretary of the Socialist Party and Vice Premier, and Brescia, Vice Premier, to account thereof what had taken place at the meeting and to obtain their cooperation, which was forthcoming.

7. With this official backing VALZERA and PASSONI and GRONCHI, who stated that he would agree to CAVINATO being nominated sole Communist, but did not want the Committee to have any further executive powers, though he was prepared to let it remain as a consultant body.

8. GRONCHI has now told VALZERA to return to TUNIS to see Colonel Marshall, advising him of his decision and asking him to take action.

NOTE: CAVINATO is a friend of SCALIA and it was the latter who suggested his nomination. He has the confidence of VALZERA, who has promised LIZZARDI, RENZI and the other Socialists, who asked him unofficially to do so, to give all his help to CAVINATO.

1306

542
Confidential

Ref: 11/372

AUG 21 1945

To: Head of Chancery
British Embassy
ROME

Copy: A. Halford, 3sq.,
Political Section
A.C., ROME

From: I.S.L.D.
Rome Area Allied Command

Date: 4th August, 1945

Attached is a report on the Socialist Leaders' Reaction to the discovery of the Industrialists' Anti-Communist Fund.

Major
I.S.L.D.

for M 421

Attached is a report on the Socialist Leaders' Reaction to the discovery of the Industrialists' Anti-Communist Fund.

[Signature]
Major
I.S.L.D.

[Handwritten: See ML 4-21]

1503

ITALY

POLITICAL / ECONOMIC

SOCIALIST LEADERS REACTION TO DISCOVERY OF INDUSTRIALISTS'

ANTI-COMMUNIST FUND

1. The fact that the industrialists of the North are subscribing to a fund to support the right wing in a fight against Communism is already known to the Socialist Party.
2. According to a reliable source who was present at a private meeting held in ROME on August 1st where members of the Socialist Party and two FIAT officials met to discuss the future direction of the FIAT Works, BIZZARDI, member of the Directorate of the Socialist Party, mentioned to VALETTA, Director General of FIAT, that his party was in possession of a document which proved that the industrialists of the North had subscribed to a fund amounting to 500 million lire to combat Communism. PASSONI, Prefect of TURIN and member of the Socialist Party, also at the meeting, confirmed the existence of this document.
3. LIZZARDI told VALETTA that he thought this action of the industrialists very dangerous. He warned him that any development of the scheme would be very likely to bring about what the industrialists most wanted to avoid, by throwing into the arms of the Communists all the Socialists and all the anti-fascist elements in Italy who would see in the measure of the industrialists an attempt to create a situation similar to that in which industrial came to power in 1922.

officials met to discuss the future direction of the FIAC Forces, LIZARDI, member of the Directorate of the Socialist Party, mentioned to VALETTA.

Director General of FIAT, that his party was in possession of a document which proved that the industrialists of the North had subscribed to a fund amounting to 500 million liras to combat Communism. PASSONI, Prefect of Turin and member of the Socialist Party, also at the meeting, confirmed the existence of this document.

3. LIZARDI told VALETTA that he thought this action of the industrialists very dangerous. He warned him that any development of the scheme would be very likely to bring about what the industrialists most wanted to avoid, by bringing into the arms of the Communists all the Socialists and all the anti-fascist elements in Italy who would see in the measures of the industrialists an attempt to create a situation similar to that in which Chamberlain came to power in 1922.

4. VALETTA in reply told LIZARDI that he knew the industrialists in the North were frightened by the uncontrolled acts of terrorism carried out in the name of operation, and had probably only banded together as a means of self-protection, and not as a means of imposing another form of fascism on the country. He added that the industrialists were reluctant to remove all their money and reinvest their money as they feared substantial alterations of everything they possess.

1304

- 2 -

5. VALENTA told LIZZARDI that he was convinced that if the industrialists felt there was any form of protection for them, they would be willing to resume work, and that if such a guarantee could be given he would be prepared to use all his influence in the North to bring the industrial situation back to normal.

6. LIZZARDI agreed that some form of guarantee should be given, but added that such a method of working could only be countenanced by the Socialist Party as long as no law was passed which would affect the status of Italian industry.

7. After the conversation reported above, LIZZARDI told source that he was sure that VALENTA was not one of the industrialists who had subscribed to this fund. Two days later however LIZZARDI mentioned to source that Alessandro ZENINI - one of the Socialist leaders in MILAN - had told him that VALENTA was in fact one of the subscribers. Nevertheless, LIZZARDI said that he expected VALENTA would carry out his part of the bargain.

8. VALENTA informed source during a later conversation that when he returned to the North he will discuss this question with the industrialists on the lines agreed with LIZZARDI, and expressed the hope that he would be successful in convincing them. If so, it is his intention to return to Rome and try to bring the General Confederation of Labour and the Confederation of Industries together to work out details. As a first step VALENTA already has POCIS, Government representative with the Confederation of Labour.

Socialist Party on line up to law we passed which would affect the status of Italian industry.

7. After the conversation reported above, LIZZADRI told source that he was sure that VALLETTA was not one of 40 industrialists who had subscribed to this fund. Two days later however LIZZADRI continued to assure that Alessandro PENTINI - one of the Socialist leaders in MILAN - had told him that VALLETTA was in fact one of the subscribers. Nevertheless, LIZZADRI said that he expected VALLETTA would carry out his part of the bargain.

8. VALLETTA informed source during a later conversation that when he returns to the North he will discuss this question with the industrialists on the line up agreed with LIZZADRI, and expressed the hope that he would be successful in convincing them. If so, it is his intention to return to Rome and try to bring the General Confederation of Labour and the Confederation of Industries together to work out details. As a first step VALLETTA already has FIE's agreement to negotiate with the Confederation of Labour.

NOTE: FIE is Managing Director of Steel Corporation and was originally nominated to receive and dispense the funds collected by the industrialists.

1001

Declassified E.O. 12356 Section 3.3/NND No. 785017

Top Secret
Confidential

Ref: 11/899
AUG 21 1945

To: Head of Chancery
British Embassy
ROME

Copy: A. Halford, Esq.,
Political Section
A.C., ROME

From: I.S.L.D.
Rome Area Allied Command

Date: 31st July, 1945

Attached is a report on the political activities of
industrialists in Northern Italy, dated 31st July.
My 11/897 refers.

[Signature]
Major
I.S.L.D.

1502

ITALY

POLITICAL

POLITICAL ACTIVITIES OF INDUSTRIALISTS IN NORTHERN ITALY

1. Reference has already been made to the financing of Benicivenga's new political movement by industrialists in the North. Although there is no indication that the following information, supplied by a very well placed source in the North, has anything to do with the finances offered to Benicivenga, there may eventually be some connection if the COMPTON BARONCELLO is a success.

The aforementioned industrialists have made secret arrangements to finance the right wing in the coming elections:

ALBERTI, a well known industrialist in Emilia
DE ARSIZIO COSTA, of Genoa
RODO PIACENT, a ship builder of Genoa
DR. PIERLUIGI BUCCHETTI, of the Breda Company of Turin
VALERIA of FIAT
FRAN of the Breda Company of Milan.
2. According to source these industrialists are prepared to spend 500 million lire. For reasons of security they prefer to bear the entire expense themselves, rather than receive contributions from other industrialists in whom they have not complete confidence.
3. The money is to be entrusted to a certain professor who in turn and may

2. The aforementioned industrialists have made secret arrangements to finance the right wing in the coming elections:

RIVETTI, a well known industrialist in Liguria

DE ARMANDO COCCA, of Genoa

RODOLFO FIAT, a ship builder of Genoa

Dr. FERRUCCIO BERNARDINI, of the Edison Company of Turin

VALERIO of FIAT

FIAT of the Trade Company of Milan.

3. According to sources these industrialists are prepared to spend 500 million lire. For reasons of security they prefer to bear the entire expenses themselves, rather than receive contributions from other industrialists in whom they have not complete confidence.

4. The money is to be entrusted to a certain Professor (all in Genoa and may be deposited in the Vatican).

5. More than half the money will be spent in central and southern Italy where the industrialists believe the right wing has greater support among the masses.

150;

Declassified E.O. 12356 Section 3.3/NND No. 785017

542
TOP SECRET
Confidential

Ref: 11/857

AUG 21 1945

To: Head of Chancery
British Embassy
ROME

Cc: A. Halford, Esq.,
Political Section
A.C., ROME

From: I.S.L.D.
Rome Area Allied Command

Date: 31st July, 1945

Attached is a report on the MOVIMENTO DEL CENTRO
DEMOCRATICA, dated 29th July, 1945.

[Signature]
Major
I.S.L.D.

[Handwritten]
1500

ITALY

POLITICAL

MOVEMENTS AND UNITED ORGANIZATION

1. It now appears that this movement is slowly acquiring support from the industrialists of the North, who seem likely to supply the financial support Benciavenga needs for his movement.
2. According to one source Benciavenga has already received as a token of good faith and further support the sum of three million lire, which source says comes from the firm of G. B. B. in Milan. Benciavenga is of distinguished origin (Favre) and G. B. B. The latter is said to have supplied one million lire through a Colonel F. B. B., a relative of Benciavenga, G. B. B.'s private secretary.
3. Another source, who has ^{been} appointed treasurer of the Movement by Benciavenga, had in his possession recently two cheques each for half a million lire which he said represented funds for this movement.
4. Funds of the movement are being kept in the agricultural bank, but their existence is known only to four or five members.
5. The first source also reports that a representative of Fiat has asked for details of the Movement, indicating that the directors of Fiat would be prepared to subscribe if they consider it likely to be successful.
6. In addition to the help provided by the industrialists, interest in the movement is being shown in other quarters. A representative of the Spanish

known from the firms of COLASO in Milan, BASSOCELLI of Destignone (Varese) and GARIBOLDI. The latter is said to have supplied one million lire through a Colonel FERRARI, a relative of FERRARO, BASSOCELLI's private secretary.

3. Another source, who has ^{been} appointed treasurer of the Movement by Boncivergn, had in his possession recently two cheques each for half a million lire which he said represented funds for this Movement.

4. Funds of the Movement are being kept in the agricultural bank, but their existence is known only to four or five members.

5. The first source also reports that a representative of FIAT has asked for details of the Movement, indicating that the directors of FIAT would be prepared to subscribe if they consider it likely to be successful.

6. In addition to the help promised by the monarchists, interest in the Movement is being shown in other quarters. A representative of the Spanish Embassy in Rome has had contact with Colonel MUZZO, one of Boncivergn's intimate associates, to enquire about it. The treasurer has been ^{helped} by Boncivergn that he will shortly be contacted by a representative of a foreign power. Monsignor DIAMANTISIO, Archbishop of St. John Lateran in Rome, attended a meeting with Boncivergn and two of his confidants, where he expressed sympathy for the Movement and criticized the Fascist's policy which he described as too conservative for present conditions.

7. (a) Boncivergn has already taken steps to reactivate the Movement of which he was the leader during the German occupation of Rome. This Movement was known

/

locally as the "Gang" or.

(b) Source states that he needs this group as an organization centre for his movement, to which the activities of the Communist Party, to subvert to get some education amongst the poor and to have close contact with the following right wing organizations which are said to possess some arms:-

(i) *Gruppo di Azione Militare*. Cells have already been formed in Italy and are in the process of formation in the centre and north of Italy.

(ii) *Gruppo di Azione Militare*. Cells in right wing parties and without autonomous fighting parties. Their group is said to be financed by Russia.

(iii) *Gruppo di Azione Militare*. Members of this group are described as being composed of former fascist intellectuals who worked with Mussolini's regime, and who are now excluded from other political parties for their previous political convictions. But who want to fight against Communism by giving help to the two organizations mentioned above. This group is said to have the blessing of and to be financed by the Jesuits. The leaders are reported to be a certain reference to the Countess of ... (Mussolini's ...).

and parts of Italy.

- (iii) Italian Fascist Party (Partito Fascista). Armed units in flight wing parties and various autonomous fighting parties. Their group is said to be financed by Fascist.
- (iv) Italian Fascist Party (Partito Fascista). Members of this group are described as being composed of former fascist intellectuals who moved with Mussolini's regime, and who are now excluded from organizational parties for their previous political associations, but who went to fight against Communism by giving help to the two organizations mentioned above. This group is said to have the blessing of and to be financed by the Jesuits. The leaders are reported to be a certain professor Delle and about 100000 in 1940 (source: 1940).

To: Head of Consular
British Embassy
ROME

Copy: A. Milford, Reg.,
Political Section
A.C., MBZ

From: I.S.I.D.,
Home Area Allied Command

Date: 25th July, 1945

AUG 21 1945

Attached is a report on Soviet and Polish coal for Italy which has been obtained from various independent sources, dated from 15th - 25th July, 1945.

All these sources have the impression that the Russians through the C.P.I. are urging the Italian Government to recall to the Poles their promise of 1943/44 which the Russians will officially support. In this way they will give the C.P.I. the possibility of making excellent pro-Russian propaganda by emphasising to the Italian working classes that it is thanks to the Russians' renunciation of their rights under a treaty that help has been made available to them. At the same time it is expected that if supplies of coal are made, the Russians will make certain demands on the Italians.

C
I.S.I.D.

455
1492

ITALY

ECONOMIC / POLITICAL

Soviet and Polish Coal for Italy

1. Although nothing concrete is yet available on the subject of supplies of Russian or Polish coal to Italy, there are sufficient indications to show that this question is being studied in more than one quarter.
2. Reports are at present conflicting, and it cannot yet be said whether the initial approach was made by the Italian Government acting on its own initiative, or whether Communist profiting from announcements made in the Press to the effect that the Allies would not be able to supply Italy's requirements at this stage, have not, acting on the advice of Russia, induced certain members of the Government, best qualified for this task, to raise the question of coal supplies from Russia or Poland utilizing as a basis the offers said to have been made by the Polish Government in the winter of 1943/44 in anticipation of the liberation of Poland.
3. Ing BLANCHI, High Commissioner for the State Railways in Northern Italy told Ing. Leopoldo VACCARI, Director General of the Electric Company of MILAN, a friend of source, that he is expecting the visit of a representative of the Polish Government, who is said to be coming to Italy to discuss the question of supplying SILESIA coal.
4. Another source with high level contacts in Government, Banking and Industrial circles states that certain members of the Ministry of Transport have suggested to the Government that in view of Italy's

Prose to the effect that the Allies would not be able to supply Italy's requirements at this stage, have not, acting on the advice of Russia, induced certain members of the Government, best qualified for this task, to raise the question of coal supplies from Russia or Poland utilizing as subterfuge the offers said to have been made by the Polish Government in the winter of 1943/44 in anticipation of the liberation of Poland.

3. Ing BLANCHI, High Commissioner for the State Railways in Northern Italy told Ing. Leopoldo RASCHETTI, Director General of the Electric Company of Milan, a friend of source, that he is expecting the visit of a representative of the Polish Government, who is said to be coming to Italy to discuss the question of supplying SILESIA coal.

4. Another source with high level contacts in Government, Banking and Industrial circles states that certain members of the Ministry of Transport have suggested to the Government that in view of Italy's pressing need for coal, they should approach the Poles to see whether they will renew their pre-war supplies, or fulfill the offers made in 1943/44.

5. A third source was told by Ing. RASCHETTI, Chief of Cabinet of RMITA - Minister of Public Works - that the question of obtaining coal Italy is being discussed in the Ministry of Industry and Commerce, and that SODDIGHI, Minister of Finance, is studying the financial and technical aspects of this problem.

6. A further source in close contact with an Italian member of the Allied Commission said that the latter reports that at the last meeting of the Council

- 2 -

of Ministers. DI GASPERI, the Foreign Minister, mentioned the possibility of importing coal from the Silesian Basin. He stated that Quarant, Italian Ambassador to Moscow had been given instructions to negotiate with his Polish colleagues in Moscow in this connection. According to source DI GASPERI made clear to the council the following difficulties:

- a) The Russo-Polish treaty signed on July 7th, whereby a large part of Polish coal will be reserved for Russia;
- b) Demands already received from SWEDEN and HUNGARY, who prefer payment in gold currency.
- c) Difficulties of transport, payment or exchange in regard to Italy.

The above paragraph is in part confirmed by another source who recently had a conversation with PHILAS, Permanent Under Secretary at the Foreign Office. During this conversation the latter said that Quarant had already contacted the Polish Government on the subject of supplies of Polish coal, and that SOLOVY had promised that supplies would be made available to Italy. PHILAS added that Czechoslovakian representatives in Moscow had given Quarant similar assurances. PHILAS also pointed out the difficulties of transport but expressed the hope that aid would be forthcoming from the Eastern Allies. He added, however, that the Silesian mines would never be in a position to satisfy Italy's demands either on the score of quantity or quality. PHILAS concluded by telling source that PALISI had asked KOSYULOV, Russian Ambassador to Rome, about supplies of Polish coal, but had received evasive replies.

3. As a matter of interest, and one which may have a certain bearing on this ~~subject~~

c) Difficulties of transport, payment or assistance in regard to Italy.

7.

The above paragraph is in part confirmed by another source who recently had a conversation with PHINAS, Permanent Under Secretary at the Foreign Office. During this conversation the latter said that PHINAS had already contacted the Polish Government on the subject of supplying Polish coal, and that MOLONY had promised that supplies would be made available to Italy. PHINAS added that Czechoslovakian representatives in Moscow had given PHINAS similar assurances. PHINAS also pointed out the difficulties of transport but expressed the hope that aid would be forthcoming from the Western Allies. He added, however, that the Silesian mines would never be in a position to satisfy Italy's demands either on the score of quantity or quality. PHINAS concluded by telling source that PHINAS had asked KOSTILSKY, Russian Ambassador to Rome, about supplies of Polish coal, but had received evasive replies.

8.

As a matter of interest, and one which may have a certain bearing on this ~~subject~~ subject, a source, a well known Italian industrialist, reports that he recently spoke to SANTINI, Communist member of the Managing Board of FIAT and Works Manager and a certain BASSIARI, also of FIAT. The latter told source that they had been sent to KENN by the C.L.N.A.I. Management of FIAT to contact the Russian Embassy through the Communist Party, to discuss the possibility of obtaining raw materials and coal from Russia. (Note: BASSIARI is an old employee of FIAT who spent fourteen years in Russia as their representative. He told source that he was only in Rome as interpreter).

Declassified E.O. 12356 Section 3.3/NND No. 785017

542
~~TOP SECRET~~
Confidential

425
~~JWS~~

in the press to
Gen. Talm.

To: Head of Chancery.
British Embassy.
Rome.

Ref: 11/532
AUG 15 1945

Copy: A. Halford Esq.,
Political Section,
A.C. Rome.

From: I.S.L.D.,
Rome Area Allied Command.

Date: 10th August, 1945.

The attached report is the translation of a draft
of agreement for signature circulated by the Sindacati Uniti
to the Assicurazioni Generali and other Trieste concerns not
represented in the Sindacati Uniti.

Major
I.S.L.D.

see 11/26
1193

ITALY

POLITICAL

Translation of a draft of an agreement for signature circulated on 12 July 45 by the SINDACATI UNICI to the ASSICURAZIONI GENERALI and other TRISTE concerns not represented in the SINDACATI UNICI.

1. Agreement has been reached on the following points by Messrs.
..... representatives of the United Syndicates, and Messrs.
..... representatives of the Internal Industrial Commissions.

That both parties concerned hold the same views as regards the SINDACATI UNICI, insofar as the workers' unity is the workers' best defence.

That the reason why the workers represented by the above Commissions have not adhered to the Syndical organization is that they they were under the influence of political prejudices caused by:

1. Article No. 5 of the SINDACATI UNICI Statutes, which refers to the amalgamation of the Syndicates to Tugoslavija, and which does not meet with the approval of the majority of the population.
2. The exiguous support given to the Communists by the other anti-Fascist parties.
3. The fact that in the confused period that followed the 1st May 1945, many of the elections of the Commissions and of the workers' committees were not carried out in a strictly democratic way.

It is, therefore, agreed that the above Internal Commissions will join the Syndical organizations provided that the following conditions are fulfilled.

- A. Article No. 5 is cancelled, together with all other parts of the Statute referring to the linking up of the Syndicates to the Tugoslav Federation.

That both parties concerned hold the same views as regards the Sindacati Unici, insofar as the workers' unity is the workers' best defence.

That the reason why the workers represented by the above Commissions have not adhered to the Syndical organization is that they were under the influence of political prejudices caused by:

1. Article No. 5 of the Sindacati Unici Statutes, which refers to the amalgamation of the Syndicates to Yugoslavia, and which does not meet with the approval of the majority of the population.
2. The exclusive support given to the Communists by the other anti-Fascist parties.
3. The fact that in the confused period that followed the 1st May 1945, many of the elections of the Commissions and of the workers' committees were not carried out in a strictly democratic way.

It is, therefore, agreed that the above Internal Commissions will join the Syndical organizations provided that the following conditions are fulfilled.

- A. Article No. 5 is cancelled, together with all other parts of the Statute referring to the linking up of the Syndicates to the Yugoslav Federation.
- B. The non-political nature of the Syndicates is confirmed so that every member will feel quite free to belong to any anti-Fascist party and to express his unrestricted political views in public or through the Press, but not within the Syndicate, owing to the strict non-political character of this organization.
The Syndicates will in some cases be allowed to take part in political demonstrations, but only if requested to do so by the majority of the anti-Fascist parties.
- C. The Commissions and the Factory Committees, representing all the industries of the town will elect their representatives, who will in turn appoint the Directive Committee, which will be the central body of the organization.
The Directive Committee will be charged with the revising and modifying of the existing Statute, and with the organizing of the yearly elections of the Industrial Commissions and Factory Committees to be held in December. The voting will be secret and two-thirds of the members at least must cast their vote.
The Directive Committee and the Syndicate representatives will also have the same yearly election arrangements.

Declassified E.O. 12356 Section 3.3/NND No. 785017

Ref: 542/422/NO.

14 August 45.

SUBJECT: Political Report.

TO : Regional Commissioner, VIRGINIA REGION.
S.C.A.O., VIRGINIA GRUPE.

The attached copy of a report received from a Secret source
is passed to you for information.

R. W. KEMSLEY

Brigadier,
Executive Commissioner.

Encl.

see M 423

1492

542
~~TOP SECRET~~
CONFIDENTIAL

~~TOP SECRET~~ 420

You may be interested
to see this to
ref: 11/879 found good.

AUG 14 1945

To: Head of Chancery,
British Embassy,
Rome.

Copy: A. Halford, Esq.,
Political Section,
A.C. Rome.

From: I.S.L.D.,
Home Area Allied Command.

Date: 9th August, 1945.

Attached is a report on Slovene opposition to
WFO, dated 25th July, 1945, from a reliable source.

Major
I.S.L.D.

see M.H.21

7.8/3/75
28 July 1945

Subject: Slovene Opposition to RYO - Activities of Opposition.

ROMAN Bishop.

At present living in a monastery near FLAGSTON. Attempted to see the Pope in ROME, but was refused permission by the Allied Military Authorities. Remains the spiritual leader of the SLOVENE LUTHERAN STRANKE, and virtually controls the so called Royal Slovene Government which is harbouring in CARINTHIA.

Reliably reported to be on bad terms with the local Catholic hierarchy, especially with Monsignor KADRAS - Vicar General of the Diocese of GURK. The latter considers ROMAN's policy in SLOVANIA to have been unwise, high-handed and deplorable. Furthermore ROMAN is not trusted by the Austrian Catholic hierarchy, since he left CARINTHIA in 1918 for LUTHERAN and became the apostle of Slovene Nationalism, a policy which he has maintained to the present day.

Bishop ROMAN's policy may be summed up as follows:-

- a. A powerful SLOVANIA, which will include ISTRIA, the whole of VENETIA JULIA, including TRIESTE and GORIZIA, and that area of CARINTHIA inhabited predominantly by SLOVENS.
- b. This new SLOVANIA should have complete autonomy within a Federation of Catholic States which will include: AUSTRIA, HUNGARY, SLOVAKIA, and CROATIA.
- c. The new SLOVANIA will secede completely from the YUGOSLAV State (is SERBIA, ROMANIA, BULGARIA - the Orthodox states).

SMAJD Albin Dr.

Secretary of the "Royal Slovene Government" in CARINTHIA. He is also Bishop ROMAN's private political secretary. On about June 6th, 1945, Dr. SMAJD left ROME clandestinely for ROME. At ROME he had one audience with the Pope and three audiences with Monsignor TARDINI (2/c of foreign affairs). In the course of his audiences in the Vatican, he discussed the whole position of the Church in SLOVANIA and future political trends in Yugoslavia. He also submitted Bishop ROMAN's suggestions of a Federation of Catholic States (v. supra). Dr. SMAJD also contacted Dr. KREK and Dr. AUSSCHIG in

Cardinal Ruffini is not trusted by the Austrian Catholic hierarchy, since he left CARINTHIA in 1918 for LITJANA and became the apostle of Slovene Nationalism, a policy which he has maintained to the present day.

Bishop ROZMAN's policy may be summed up as follows:-

- a. A powerful SLOVENIA, which will include ISTRIA, the whole of VENEZIA JULIA, including TRIESTE and GORIZIA, and that area of CARINTHIA inhabited predominantly by SLOVENS.
- b. This new SLOVENIA should have complete autonomy within a Federation of Catholic States which will include: AUSTRIA, HUNGARY, SLOVANIA, and CROATIA.
- c. The new SLOVENIA will secede completely from the YUGOSLAV State (is SERBIA, MONTENEGRO, MACEDONIA - the Orthodox states).

SMARDJ Albin Dr.

Secretary of the "Royal Slovene Government" in CARINTHIA. He is also Bishop ROZMAN's private political secretary.

On about June 5th, 1945, Dr. SMARDJ left LITZ clandestinely for ROME. At ROME he had one audience with the Pope and three audiences with Monsignor TARDINI (i/c of foreign affairs). In the course of his audiences in the Vatican, he discussed the whole position of the Church in SLOVENIA and future political trends in Yugoslavia. He also submitted Bishop ROZMAN's suggestions of a Federation of Catholic States (v. supra).

Dr. SMARDJ also contacted Dr. KRZEL and Mr. AUSSERLICH in ROME.

He returned to CARINTHIA on June 27th 1945. On July 24th he again left CARINTHIA for an unknown destination (? ROME) and stated he would be away for three weeks.

KREMERER Brig Gen

Former C.O.C. of the SLOVENIAN DEMOCRACY. Was interned at the "White" Slovene camp at VITTELING (in KLAGENFURT). Towards the middle of JUNE, KREMERER escaped from the camp, dressed in civilian clothes. Then wandered round the MONTENEGRO for two days, and finally disappeared. A well informed source states that KREMERER intended to make his way to SWITZERLAND.

PUTERLICH Lt Col

Formerly second in command of the SLOVENIAN DEMOCRACY, and political representative of the SLOVENIAN LITJANA ISTRIA in the DEMOCRACY

see H22

-2-

PETERLING Lt Col
(contd)

1418
An unconfirmed report states that PETERLING was arrested by the GASTAPO in LUBLJANA in November 1944 and sent to a concentration camp in Germany. In early July 1945, PETERLING is reported to have been evacuated from GERMANY, through CARNATHIA to LUBLJANA in company with a number of other SLOVENES who had been imprisoned in GERMANY. It is understood that PETERLING was "liquidated" on his way back to LUBLJANA.

Declassified E.O. 12356 Section 3.3/NND No. 785017

1490

Declassified E.O. 12356 Section 3.3/NND No.

785017

~~TOP SECRET~~ 415

Ref: 542/415/EC.

10 August 1945.

SUBJECT: Political Report.

TO : SOAO, Venezia Giulia.
Economic Section (For Labour Sub-Commission).

404 006 IV

The attached report, received from a Secret source, is passed to you for information.

M. PROBY.

Brigadier,
Executive Commissioner.

Encl.

TOP SECRET

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
13 CORPS

SUBJECT : Political Report.

4 AUG 1945.

REF : 13C/AMG/51

14 AUG 1945

TO : Executive Commissioner,
HQ Allied Commission, RMZ.

Reference your 452/17/EC dated 17 July 45.

Herewith reply to the recommendations made in the report at "B" in terms of your request of above reference.

1. Your para 7(i). It is appreciated that AMG is not receiving in all cases the willing cooperation and understanding of the people, and the time may well be approaching when our policy must be applied in a stronger manner.

Our actions must, however, be tactful and nothing must be done to provide grounds for discredit towards our administration in this area.

2. Your para 7(ii). The portion of FRIULI covered by AMG 13 Corps is of course but a fraction of the whole of FRIULI. In our area the progress of forming the new AMG Police Force is carrying on as rapidly as possible, and in the very near future it is felt there will be an extremely efficient, well organized, and well trained Police Force for our area.

3. Your para 7(iii). Complete impartiality of control of the Press is, I think, an impossibility. There must be control, if limited, and a control as impartial as possible. Any attempt to make A.I.S., Journals impartial would ring a completely false note, as these newspapers are quite openly organs for the expression of Allied Military Government policy. There should be no attempt to disguise the functions of these newspapers under a cloak of "impartiality".

What should be done, and is being done, to induce impartial control, is to see that censorship is of a balanced and moderate quality and that opposition newspapers are not censored seriously simply because they express opposition politics. The genuine opposition press should, in fact, be encouraged and shown that sensible criticism is appreciated.

4. Your para 7(iv). Upon arrival in TRIESTE it was learned that SEPRA was allocating rationed foodstuffs to welfare messes (Mense Popolari) operated, which were not, in fact, for the needy but for favoured groups.

1. Your para 7(i). It is appreciated that AMG is not receiving in all cases the willing cooperation and understanding of the people, and the time may well be approaching when our policy must be applied in a stronger manner.

Our actions must, however, be tactful and nothing must be done to provide grounds for discredit towards our administration in this area.

2. Your para 7(ii). The portion of PRIULI covered by AMG 13 Corps is of course but a fraction of the whole of PRIULI. In our area the progress of forming the new AMG Police Force is carrying on as rapidly as possible, and in the very near future it is felt there will be an extremely efficient, well organized, and well trained Police Force for our area.

3. Your para 7(iii). Complete impartiality of control of the Press is, I think, an impossibility. There must be control, if limited, and a control as impartial as possible. Any attempt to make A.I.S., Journals impartial would ring a completely false note, as these newspapers are quite openly organs for the expression of Allied Military Government policy. There should be no attempt to disguise the functions of these newspapers under a cloak of "impartiality".

What should be done, and is being done, to induce impartial control, is to see that censorship is of a balanced and moderate quality and that opposition newspapers are not censored seriously simply because they express opposition politics. The genuine opposition press should, in fact, be encouraged and shown that sensible criticism is appreciated.

4. Your para 7(iv). Upon arrival in TRIESTE it was learned that SEPRAL was allocating rationed foodstuffs to welfare messes (Mense Popolari) operated, which were not, in fact, for the needy but for favoured groups. Upon advice of AMG Welfare Officer, SEPRAL was directed to discontinue issuing rations to all but ECA messes. The needy are being fed. Political groups are not being discriminated for or against. The Mense Aziendali (factory messes) sometimes confused with Mense Popolari, are not drawing imported supplies, but are being helped to secure local supplies through their own Co-operative trucking agency.

RATIONS. The ration scales here are more favourable than in any part of Italy. Even better rations are being requested, because of the difficult conditions of the territory. However, the real answer to the problem is the importation of food from Italy and Yugoslavia, not from America or the British Empire. To this end we are developing transport, road and sea. Trucks are being secured and a schooner agency has been organized and is in operation. The result of this work will, it is believed, be in evidence shortly.

PRICE CONTROL. A plan to set and control prices has been formulated and will be made effective within a few days. A Price Commission, composed of representatives of various interests will fix prices, based on a realistic appraisal of the situation. Price control will be left to the Price Control office already set up. The prices will of course be dependent on the quantities of commodities available.

- 2 -

5. Your para 7(v). It is certainly recommended that facilities be granted for the reactivation of industries and initiation of reconstruction. Of the projects you mention the urgent need for timber, sunflower oil, silk, and salt would certainly place these industries among the first to be reactivated. The position regarding silver mines would require further examination.

All is being done, and will be done, to absorb as rapidly as possible workers into those channels which will most benefit this area.

6. Your para 7(vi). The provision of transport for interchange of goods between Upper and Lower TRIUMF is clearly desirable. The quantity, however, of heavy transport in this area is still insufficient. We have been promised virtually 150 x 3 ton lorries from Allied Commission, but these have not yet arrived and we have received a small number of German heavy transport from AUSTRIA through 8th Army sources. A suitable transport pool has been formed and the only factor affecting the scheme with which the carriage and interchange of goods is concerned, in the amount of transport available in terms of priority of work to be done.

7. Your para 7(vii). The establishment of Youth Centres and Camps is one of particular interest in this area. However, it is considered that such camps serve only to ameliorate and solve no problem.

Camps are not the answer to unemployment, and a vigorous industrial and agricultural drive, which it is hoped will take place in this area at an early date, should absorb most people into employment. It is not improbable that the unemployment figures of this territory will be one of the gauges by which the success or failure of our administration will be judged. It is well known that inactivity amongst the youth of a temperamental area provides ample scope for the sowing of all types of propaganda.

H. P. Robertson
C.R.

ALFRED C. BOWMAN,
Colonel, JAGD,
S.C.A.O.
A.M.G. 13 CO. PS.

PHH/JAC.

pool has been formed and the only factor affecting the scheme with which the carriage and interchange of goods is concerned, is the amount of transport available in terms of priority of work to be done.

7. Your para 7(vii). The establishment of Youth Centres and Camps is one of particular interest in this area. However, it is considered that such camps serve only to ameliorate and solve no problem.

Camps are not the answer to unemployment, and a vigorous industrial and agricultural drive, which it is hoped will take place in this area at an early date, should absorb most people into employment. It is not improbable that the unemployment figures of this territory will be one of the gauges by which the success or failure of our administration will be judged. It is well known that inactivity amongst the youth of a temperamental area provides ample scope for the sowing of all types of propaganda.

PER/JNC.

*H.A. Robertson
Col.*

ALFRED C. BOWMAN,
Colonel, JAGD,
S.C.A.O.
A.E.G. 13 COMPS.

1487

542
TOP SECRET
Confidential

Ref: 11/870

To: Head of Chancery
British Embassy
ROME

Copy: A. Halford, Esq.,
Political Section
A.C., ROME

From: I.S.L.D.
Rome Area Allied Command

Date: 2nd August, 1945

AUG 9 1945

*you will remember that
Logan has now got
a cut in the ex-
cessive lumber.*

Reference our 11/771 of 9th July, 1945.

Attached is a further report on the CISPINE
FEDERAL MOVEMENT.

[Signature]
Major
I.S.L.D.

1486

(csc)

ITALY

POLITICAL

CISALPINE FEDERAL MOVEMENT

1. A source who is in close touch with the North has given the following information on this movement, which has already been the subject of a previous report.
2. The movement was formed during the German occupation of Northern Italy, and is said to be an expression of the traditional contempt and intolerance which Italians of the North have always expressed for those of the South. The leaders claim that most of Italy's wealth and her hardest working people are concentrated in the area they propose to embrace in the Federation, and that Italy's unity is a hindrance to their progress.
3. Source is endeavouring to obtain details of the organisation, but in the meantime reports that FRANCHI and Commander MAURI, both important Partisan leaders during the German occupation, are interested in the movement, and that all the autonomous partisan formations in LOMBARDY and PIEMONTE are in favour of it, particularly those in the VAL d'AOSTA.
4. Source states that the newspaper "IL CISALPINO" does not appear regularly and is published clandestinely. He states however that it is subsidised by some industrialists in BERGAMO.

that the movement is violently xenophobic.

intolerance which Italians of the North have always expressed for those of the South. The leaders claim that most of Italy's wealth and her hardest working people are concentrated in the area they propose to embrace in the Federation, and that Italy's unity is a hindrance to their progress.

3. Source is endeavouring to obtain details of the organization, but in the meantime reports that FRANCHI and Commander MAURI, both important Partisan leaders during the German occupation, are interested in the movement, and that all the autonomous partisan formations in LOMBARDY and PIEMONTE are in favour of it, particularly those in the Val d'Ossola.

4. Source states that the newspaper "IL CIALPINO" does not appear regularly and is published clandestinely. He states however that it is subsidised by some industrialists in BIELLA.

5. Source further confirms that the movement is violently xenophobic.

NOTE: FRANCHI is the "nom de guerre" of EDDIE SOGNO, described by another source as a violent anti-communist. According to this source SOGNO recently stated that he had been promised a large sum of money by industrialists in the North for the publication of an independent newspaper.

1480

11-542
TOP SECRET
CONFIDENTIAL

To: Head of Chancery
British Embassy
ROME

From: I.S.L.D. —
Rome Area Allied Command

Copy: A. Halford, Esq.,
Political Section
A.C., ROME

Date: 3rd August, 1945

Ref: 11/873

AUG 9 1945

The attached information has been received from a new source, believed reliable, who made a complete tour of the coastal areas of Istria last month.

[Signature]
Major
I.S.L.D.

1484

(cso)

ITALY

POLITICAL / MILITARY

YUGOSLAV ACTIVITIES IN ISTRIA

1. Yugoslav IVth Army

Regrouping has been taking place. The Major Elements of IVth Army have now been withdrawn to Slovenia. Some Russian officers, in Yugoslav uniforms and under assumed names, have remained in the area. These are acting in an executive not merely advisory capacity, nor as observers. There is a rumour current in Yugoslav circles that elements of IInd Army will shortly occupy Istria.

2. Quisling and German Forces

- i) Bands of Chetniks and Ustaschi in the Monte Maggiore area west of Laurana after action with Yugoslav troops are retreating towards Croatia.
- ii) A band of Germans, about ⁴⁰⁰ 1,000 strong, operating in the same area, has retreated N.W. in an attempt to escape to Austria.

3. Yugoslav Activities

- i) Previous reports of the requisitioning of cattle, vehicles, furniture and food are confirmed. Last month 300 trucks of salt were taken from Pirano to Yugoslavias. The coastal area has been virtually stripped bare. Bonds of no present cash value are given for requisitioned goods.
- ii) A virulent propaganda campaign against the Allies is being carried out in all areas.

will shortly occupy Istria.

2. Quisling and German Forces

- i) Bands of Chetniks and Ustaichi in the Monte Maggiore area west of Laurana after action with Yugoslav troops are retreating towards Croatia.
- ii) A band of ⁴⁰⁰ Germans, about ~~HEU~~ strong, operating in the same area, has retreated N.W. in an attempt to escape to Austria.

3. Yugoslav Activities

- i) Previous reports of the requisitioning of cattle, vehicles, furniture and food are confirmed. Last month 300 trucks of salt were taken from Pirano to Yugoslavia. The coastal area has been virtually stripped bare. Roads of no present cash value are given for requisitioned goods.
- ii) A virulent propaganda campaign against the Allies is being carried out in all areas.

4. Personality information

- 1487
- i) A certain Luigi Stranac, President of the C.L.N. in Parenzo and organizer for the Communist Party of Istria is said to be a Russian agent of long standing. Source obtained this information from a former associate of Stranac named STEPANCICH. The latter is said to bear a personal grudge against Stranac. According to Stepancich, Stranac was formerly a Russian agent at Kiev, and has been engaged in espionage activities for the last 20 years.
 - ii) Stepancich also informed source that OZNA in Parenzo have sent special agents into Trieste in order to kidnap fascists not yet arrested. The leader of these agents is said to be Giuseppe SUPLINA.

1098