

ACC

10000/143/1516

10000/143/1516

MONTHLY REPORTS, P.S.
NOV. 1944 - JAN. 1945

2A

11/13/23

TRANSLATION, ea.

MINISTRY OF THE INTERIOR.

Rome, 23 Jan. 1945.

Div. A.G.R. Sec. I

NO. 441/055

SUBJECT : Politico-Economic situation and that of public security in Liberated Italy during the month of November, 1944.

TO : Allied Commission, Public Safety Sub-Commission.

2B

Transmitted for information is the attached copy of a résumé of reports sent to this Ministry - General Directorate of Public Security - by the Prefectures of the provinces of Liberated Italy which have returned to Italian administration, on the political situation, public order, the economic-food situation, on the spirit of the public and on the conditions of public security in their respective jurisdictions during the month of November, 1944.

Attached also is a list of the political parties which have been formed in Italy, with a brief illustrative note on each of them.

THE HEAD OF THE POLICE,
FERRARI.

Stamp: 11/13/23

1721

28

1. POLITICAL SITUATION.

In spite of the fact that in all provinces the propaganda and organization movements of all parties have been intensified, the great majority of the population has persisted in holding itself aloof from active politics and, what is even more remarkable, as some of the prefectures have pointed out, is that young men, for the greater part, abstain from political competition. The youth of the country, which should presumably be most passionately interested in the future of the country, even in its own interests, because its fate is bound up with that of the country, to a large extent holds itself apart, in the grips perhaps of a profound sense of distrust of its own future, after having witnessed the destruction of the entire economic structure of the nation, which should have constituted the foundation of its future life. Young men have shown this state of mind conspicuously, first in the face of the inducements of the parties to take active part in the war by means of voluntary enlistment and then still more by their attitude to the call to arms of the veracious conscript classes. They opposed the inducements with passive resistance which would have been inconceivable in other times, given the unanimity of all political currents in desiring Italy's active participation in the war at the side of the Allies, and at the announcement of the call-up they showed their lively disapproval by means of definite manifestations. Such sentiments in the young have not been overcome even by the propaganda of the parties which have found most popular favour, and they create a somewhat preoccupying situation, because it is evident that the absence of the mass of youth from the political life of the country renders precarious and uncertain any assessment which it is desired to make as to the actual politico-economic conditions, and again the unwillingness shown to participate in the war, with its inevitable effect on the morale of the Army, prejudices us in the eyes of the Allies.

Notwithstanding, however, the resistance offered by the population to the influence of the parties, their memberships are increasing, even though slightly, but rather from having extended their fields of action than from having made greater penetration into the mass people in general. 4720

The disagreements between the parties in the Government, which had been manifest for some time, came to a head in the month of November, at least to the extent of precipitating a ministerial crisis, which the end of that month did not see solved. In general, both the causes

interests, because its fate is bound up with that of the country, to a large extent holds itself apart, in the grips perhaps of a profound sense of distrust of its own future, after having witnessed the destruction of the entire economic structure of the nation, which should have constituted the foundation of its future life. Young men have shown this state of mind conspicuously, first in the face of the inducements of the parties to take active part in the war by means of voluntary enlistment and then still more by their attitude to the call to arms of the verious conscript classes. They opposed the inducements with passive resistance which would have been inconceivable in other times, given the unanimity of all political currents in desiring Italy's active participation in the war at the side of the Allies, and at the announcement of the call-up they showed their lively disapproval by means of definite manifestations. Such sentiments in the young have not been overcome even by the propaganda of the parties which have found most popular favour, and they create a somewhat preoccupying situation, because it is evident that the absence of the mass of youth from the political life of the country renders precarious and uncertain any assessment which it is desired to make as to the actual politico-economic conditions, and again the unwillingness shown to participate in the war, with its inevitable effect on the morale of the Army, prejudices us in the eyes of the Allies.

Notwithstanding, however, the resistance offered by the population to the influence of the parties, their memberships are increasing, even though slightly, but rather from having extended their fields of action than from having made greater penetration into the mass people in general. **1739**

The disagreements between the parties in the Government, which had been manifest for some time, came to a head in the month of November, at least to the extent of precipitating a ministerial crisis, which the end of that month did not see solved. In general, both the causes and the effects of these disagreements have been very severely judged by the population because it was known that with concord between the parties most representative of public opinion, the Government would draw sufficient strength and authority to face and solve, in the best manner possible, the difficult internal and external situation of the country. It is true that in some provinces the people remained indifferent to the ministerial

happenings, taking but a tepid interest in politics besides, having no faith in the power of any Government or of any party to improve the present situation. In some provinces, on the other hand, the crisis was received with a lively sense of annoyance, especially in some small centres where formal politics are less felt and where there is a tendency to give political problems a practical value, in relation to the needs of the moment. And actually the problems which most affect public opinion are those of an economic and rational character, on which the Government crisis can have no influence except in a negative sense, at least for the period of its duration. It is therefore probable that the parties responsible for the rupture in the company of Ministers will not gain by it, and in fact some symptoms - too recent to allow definite judgement - tend to confirm this. Among other things it is to be noted that there were no demonstrations or manifestations in their favour as a result of their action, even on the occasions of the regular propaganda meetings which they held after having produced the crisis. On the other hand, it has been observed that public opinion is cooling in regard to the extremist left parties and veering towards more temperate ones. Proof of this is the fact that the "Proletarian Union" party, having detached itself from the Socialist-Communist party is approaching the Monarchical movement, which has shown some signs of revival, while there are indications of the formation of new political groups with the same aims and similar programmes. A lively tussle which took place at the opening of the academic year at the Naples University between two groups of students is significant, one side wishing that the USSR flag should be included with those of the United Nations, while the other was in opposition.

It is to be expected that the end of the union of the parties in the Government, if this should be definite, will have repercussions, at shorter or longer intervals, on the Central Committee and on the provincial L.N. Committees and by reflex on the municipal administrations, generally elected on the recommendations of these Committees.

Meantime, while the parties of the Government have renounced their agreement, the germination of new parties and political movements has been very fertile, a clear indication that the present political situation, far from being consolidated, is now fluid and susceptible of modifications and changes. For their development, the new political groups evidently place their trust in the great number of persons who have so far held aloof from militant politics, hoping to attract them with programmes of the most varied vaguenesses in comparison with those already

in a negative sense, at least for the period of 248 duration. It is therefore probable that the parties responsible for the rupture in the company of Ministers will not gain by it, and in fact some symptoms - too recent to allow definite judgement - tend to confirm this. Among other things it is to be noted that there were no demonstrations or manifestations in their favour as a result of their action, even on the occasions of the regular propaganda meetings which they held after having produced the crisis. On the other hand, it has been observed that public opinion is cooling in regard to the extremist left parties and veering towards more temperate ones. Proof of this is the fact that the "Proletarian Union" party, having detached itself from the Socialist-Communist party is approaching the Monarchical movement, which has shown some signs of revival, while there are indications of the formation of new political groups with the same aims and similar programmes. A lively tussle which took place at the opening of the academic year at the Naples University between two groups of students is significant, one side wishing that the USSR flag should be included with those of the United Nations, while the other was in opposition.

It is to be expected that the end of the union of the parties in the Government, if this should be definite, will have repercussions, at shorter or longer intervals, on the Central Committee and on the provincial L.N. Committees and by reflex on the municipal administrations, generally elected on the recommendations of these Committees.

Meantime, while the parties of the Government have renounced their agreement, the germination of new parties and political movements has been very fertile, a clear indication that the present political situation, far from being consolidated, is now fluid and susceptible of modifications and changes. For their development, the new political groups evidently place their trust in the great number of persons who have so far held aloof from militant politics, hoping to attract them with programmes of the most varied vaguenesses in comparison with those already known and which failed to enlist their sympathies. ~~Greater part of these~~ The greater part of these parties are moderate and a few decidedly monarchical; a smaller number have an intransigent left tendency. Among these last is the "anti-fascist intransigent movement", which has grown up in Rome and whose programme is the fight against the Monarchy and Fascism, and to which only those who never joined the Fascist party can belong, but up to now it has only gathered a few hundreds of adherents.

Again at Rome an agrarian party has been formed which has nothing to do with the "Italian Agrarian Party" and the "Italian Unity Party" has been formed, of which particulars are not yet known. In some provinces of Sicily the "Order of those who never belonged to the dissolved Fascist Party" has had a certain development. After the formation at Salerno of the "Left Fraction of the Communist Party", dissenters from the Communist Party at Catanzaro formed the "Left Fraction of the Italian Communists and Socialists" with very few adherents and a group of dissenting Communists at Cosenza. There is an attempt in Sicily to develop a party of "Labour Reform" which has branched off from the Labour Democrats and is particularly the work of the Hon. La Loggia. There is news of other new parties, but their programmes and chances of success are not yet sufficiently known. It should be noted that from various indications some of the new political movements seem to be promoted, financed or favoured by already existing parties, who hope in this way, by clever propaganda, to increase the number of their sympathisers in districts where they have no further possibility of development, so that at the right moment they can manoeuvre them to their own advantage.

In spite of the lively polemics which have broken out in this month, relations between the parties have been maintained on a normal plane and even of collaboration. Only in a few small centres, notably in the province of Lecce, have there been incidents between Communists and the adherents of other parties, which have given rise to denunciations of those responsible for disorders and arbitrary acts harmful to their political adversaries by Public Security Authorities to the Judicial Authorities. Further, the left extremist parties have shown themselves particularly hostile to parties or associations of a Monarchical character going in some cases as far as acts of violence against the members and the quarters of these associations.

For as much as concerns the internal life of the parties, it is to be noted that a crisis has arisen in the "Social Christian Party", one part of which has fused with the "Left Christians", while the other has passed to the "Democratic Labour Party". In Sardinia, the fusion of the "Sardinian Action Party" with the "Italian Action Party" has given rise to dissensions and not all the sections of the two parties have accepted. The crisis which seems permanently to trouble the "Action Party" manifested itself during the month under examination, in the Catania Section, and an attempt was made to solve it by the expulsion of certain members. Finally, there are those who foresee a rupture in the alliance between Communists and Socialists, which may have further developments.

particularly the work of the Ron. La Loggia. There is news of other new parties, but their programmes and chances of success are not yet sufficiently known. It should be noted that from various indications some of the new political movements seem to be promoted, financed or favoured by already existing parties, who hope in this way, by clever propaganda, to increase the number of their sympathisers in districts where they have no further possibility of development, so that at the right moment they can manoeuvre them to their own advantage.

In spite of the lively polemics which have broken out in this month, relations between the parties have been maintained on a normal plane and even of collaboration. Only in a few small centres, notably in the province of Lecce, have there been incidents between Communists and the adherents of other parties, which have given rise to denunciations of those responsible for disorders and arbitrary acts harmful to their political adversaries by Public Security Authorities to the Judicial Authorities. Further, the left extremist parties have shown themselves particularly hostile to parties or associations of a Monarchical character going in some cases as far as acts of violence against the members and the quarters of these associations.

For as much as concerns the internal life of the parties, it is to be noted that a crisis has arisen in the "Social Christian Party", one part of which has fused with the "Left Christians", while the other has passed to the "Democratic Labour Party". In Sardinia, the fusion of the "Sardinian Action Party" with the "Italian Action Party" has given rise to dissensions and not all the sections of the two parties have accepted. The crisis which seems permanently to trouble the "Action Party" manifested itself during the month under examination, in the Catania Section, and an attempt was made to solve it by the expulsion of certain members. Finally, there are those who foresee a rupture in the alliance between Communists and Socialists which may have further developments.

The behaviour of the parties towards the Authorities has always been correct and often deferential. The same may be said of the C.I.N. who have generally shown a spirit of comprehension in supporting the local authorities in calming controversies of a political and economic nature, soothing the excited spirit of the citizenry over certain questions and in indicating the right people to be placed at the head of municipal administrations. In some provinces, however, among those more recently returned to Italian administration, they have shown a tendency to overrule the municipal administrations and appropriate to themselves exclusively the above-mentioned offices. At Naples

* National Liberation Committee. -3-

criticism has been made of the decision of the Provincial C.L.N. to institute "National Committees for democratic understanding", similar to the network organization of the Fascist Regional circles.

Illegitimate actions on the part of political groups have taken place in Rome only on the part of the Communist Movement, which in order to curry favour, took the initiative in going to meet the needs of the population in a popular quarter by means of illegal actions, calculated to usurp public authority. This action was however promptly repressed by the intervention of the local Questura, who warned those chiefly responsible. More serious illegal action has been initiated at Pescara, by the "partisan movement" which became real extortion, but it was energetically suppressed with the arrest of the prime movers.

The tragic incident which occurred in Rome with the killing of a communist by a P.S. Agent, who with others, caught him writing anti-monarchy inscriptions on the wall of a house, the communist refusing his invitation to follow him to the nearest P.S. Office, an incident which in itself had no character of persecution against one party, in as much as the agent understood only that he was doing his duty first and afterwards defending himself against an unjust aggression, has been given by the left parties an exaggerated and disproportionate political significance. On this unfortunate fact the left parties have raised a bitter press campaign, accompanied by some popular manifestations against the Government and against the police, prolonged practically all the month. This circumstance, on account of the polemics following it, served to bring to light the wide divergences of views which existed in regard to major political problems between the various parties in the Government which brought about the Ministerial crisis.

During the month under examination two important anniversaries occurred, one the Vittorio Veneto victory, which was celebrated officially in all the larger centres, with perfect order, and the other the Russian revolution, to celebrate which the Communist party held many meetings at some of which formidable numbers were present, without any disturbance of the public order.

In Sicily the separatist movement has continued to carry out intense propaganda activities.

A certain increase has been noticed in Fascist manifestations in the form of inscriptions and hand bills without however assuming remarkable proportions.

1717

2. PUBLIC ORDER.

During the month of November, public order suffered

action has been initiated at Pescara, by the "partisan movement" which became real extortion, but it was energetically suppressed with the arrest of the prime movers.

The tragic incident which occurred in Rome with the killing of a communist by a P.S. Agent, who with others, caught him writing anti-monarchy inscriptions on the wall of a house, the communist refusing his invitation to follow him to the nearest P.S. Office, an incident which in itself had no character of persecution against one party, in as much as the agent understood only that he was doing his duty first and afterwards defending himself against an unjust aggression, has been given by the left parties an exaggerated and disproportionate political significance. On this unfortunate fact the left parties have raised a bitter press campaign, accompanied by some popular manifestations against the Government and against the police, prolonged practically all the month. This circumstance, on account of the polemics following it, served to bring to light the wide divergences of views which existed in regard to major political problems between the various parties in the Government which brought about the ministerial crisis.

During the month under examination two important anniversaries occurred, one the Vittorio Veneto victory, which was celebrated officially in all the larger centres, with perfect order, and the other the Russian revolution, to celebrate which the Communist party held many meetings at some of which formidable numbers were present, without any disturbance of the public order.

In Sicily the separatist movement has continued to carry out intense propaganda activities.

A certain increase has been noticed in Fascist manifestations in the form of inscriptions and hand bills without however assuming remarkable proportions.

2. PUBLIC ORDER.

During the month of November, public order suffered no serious disturbances. Agitation and demonstrations took place in many communes over questions of rations and local administration, but they did not cause noteworthy incidents. Invasions of land for cultivation on the part of peasants have been more numerous and disputes between peasants and landed proprietors with regard to the application of the law Concerning the assignment of uncultivated land to the agricultural workers have been frequent, but the intervention of the public force has served to

restore calm, often settling the differences between the parties at once, or referring the more complicated cases to the appropriate Commission for legal settlement. Squabbles between political parties have not assumed serious proportions and have been controlled by the P.S. Authorities with the consequent rapid return to normality.

3. ECONOMIC-RATION SITUATION.

The economic situation has not improved in comparison with the preceding month but has even in certain respects shown a deterioration. The factors of the persistent and progressive economic depression are so numerous and so intertwined as causes and effects that it is not easy to say which are the greater or even what is only a cause and what only an effect. Certainly, however, one of the principal causes is the monetary inflation, which shows no signs of ceasing or indeed of slackening. It is not intended, of course, to discuss the reasons for it, but merely to bring to light the harmful consequences resulting from it, as they are reported from all the inflectedures. The continuous rise in prices, generally attributed to speculation, is actually the chief and inevitable result of inflation, which speculation can only aggravate, as indeed happens, but which would not of itself be capable of producing indefinitely, invisibly, and at a certain moment recoiling to its own detriment with the contraction of sales. Speculators profit by their own particular conditions, which place them in a position to overcome the present circumstances which are so unfavourable to normal commerce, they sell at prices very much higher than those of purchase, and out of all proportion both to the capital employed and the personal labour involved. They, therefore, are responsible for the altitude of prices, which would however, eventually reach a certain stability and even a certain moderation, if not influenced by inflation. In face of this continuous phenomenon, those addicted to speculation are continually induced to proportionate their commercial activities to the measure of the phenomenon itself, which is manifest in the superabundance of paper money. However, the increase in prices, in these conditions, would be just, if the proportion adopted was just, instead of their nature which leads them to seize every opportunity to increase their profits, or because on account of an exaggerated idea of prudence, they seek to evade the effects of the depreciation which the money will have suffered, on account of the inflation, by the time they wish to re-invest it; they adopt a proportion which is always greater than that which is warranted by the state of inflation at any given moment. They precede inflation, so to speak at its every phase, as soon as they perceive its first indications. This therefore explains the first rise in prices, which is generally gradual, even in moments of inflation, is achieved in one leap at the first rumour of increased salaries and wages and very much before these increases actually take place. On the other hand, as the progressive devaluation of the money is avoided, the

716

numerous and so intertwined as causes and effects that it is not easy to say which are the greater or even what is only a cause and what only an effect. Certainly, however, one of the principal causes is the monetary inflation, which shows no signs of ceasing or indeed of slackening. It is not intended, of course, to discuss the reasons for it, but merely to bring to light the harmful consequences resulting from it, as they are reported from all the prefectures. The continuous rise in prices, generally attributed to speculation, is actually the chief and inevitable result of inflation, which speculation can only aggravate, as indeed happens, but which would not of itself be capable of producing indefinitely, invisibly, and at a certain moment recoiling to its own detriment with the contraction of sales. Speculators profit by their own particular conditions, which place them in a position to overcome the present circumstances which are so unfavourable to normal commerce, they sell at prices very much higher than those of purchase, and out of all proportion both to the capital employed and the personal labour involved. They, therefore, are responsible for the altitude of prices, which would however, eventually reach a certain stability and even a certain moderation, if not influenced by inflation. In face of this continuous phenomenon, those addicted to speculation are continually induced to proportionate their commercial activities to the measure of the phenomenon itself, which is manifest in the superabundance of paper money. However, the increase in prices, in these conditions, would be just, if the proportion adopted was just, instead of which speculators, either on account of the impulse of their nature which leads them to seize every opportunity to increase their profits, or because on account of an exaggerated idea of prudence, they seek to evade the effects of the depreciation which the money will have suffered, on account of the inflation, by the time they wish to re-invest it, they adopt a proportion which is always greater than that which is warranted by the state of inflation at any given moment. They precede inflation, so to speak at its every phase, as soon as they perceive its first indications. This therefore explains the increase in prices, which is generally gradual, even in moments of inflation, is achieved in one leap at the first rumour of increased salaries and wages and very much before these increases actually take place. On the other hand, as the progressive devaluation of the money is unavoidable consequence of inflation, speculators are forced to avoid all form of saving and to re-invest the money cashed on each sale without delay, giving to their affairs a very rapid turnover, with correspondingly rapid gains. And in this manner speculation draws into its orbit any person dedicated to commerce, gathering into the vortex even business men who are fundamentally honest and against their will even

draws persons who previously were not dictated to buying and selling, on account of the handsome profits which result and the comparative poverty of those who remain outside. Actually the rise in prices is caused permanently by two factors, one subordinate to the other, which unite together and both fall on the consumer. As a result of this situation which is present in any prolonged inflationary period, such as the present, prices will go on rising continually without any possibility of check, and it will be impossible to put into effect the laws meant to stabilize them, because the logical result would be either the disappearance of goods from the market or sales by subterfuge. From here springs the phenomenon of the black market, which it will not be possible to suppress until such time as the causes are suppressed. Any attempt on the part of the police to suppress it, in the meantime will be a labour of Sisypheus and will only serve to render the market more cautious, giving a certain satisfaction if only for this reason to public opinion. It is one of these immoralities which everyone knows exists and which everyone deprecates, to which however everyone has recourse from dire necessity, but which nevertheless raises general indignation if left entirely alone or given too much evidence. The struggle against the black market therefore, if only for this reflection, apart from the duty of enforcing the laws issued on the subject, must always be actively carried out by the police, but this fact must not illude the authorities that the black market is being suppressed. If, say, the police had sufficient men and means to reach this end they would also achieve the disappearance of the goods concerned from the market, and this would prejudice production when the prices imposed did not cover the expenses incurred in production itself. The danger of these phenomenon, however, does not lie in the fact that they occur but in that they cannot continue occurring ad infinitum, without the money at a certain moment to all practical purposes annulling itself and ceasing therefore to be a means of exchange. In that case, return to barter and to payment in kind becomes inevitable, which obviously cannot satisfy the exigencies of a modern society. From several of the Prefects' reports it would appear that these effects are already becoming evident, especially in the country, where the agriculturalists, burdened with paper money which is not useful in procuring the manufactured goods that they desire, because these goods no longer exist on the market, demand in exchange for the cession of their products other useful objects which are to be found now only in the possession of private persons. Agricultural labourers in their 15 do not intend to give their work if they are not paid at least in part, with supplies. This happened during the recent olive harvest. On the other hand, the money riches accumulated by Agricultural speculators in times of inflation are for the most part, fictitious and have

possible to suppress until such time as the causes are suppressed. Any attempt on the part of the police to suppress it, in the meantime will be a labour of Sisyphus and will only serve to render the market more cautious, giving a certain satisfaction if only for this reason to public opinion. It is one of those immoralities which everyone knows exists and which everyone deprecates, to which however everyone has recourse from dire necessity, but which nevertheless raises general indignation if left entirely alone or given too much evidence. The struggle against the black market therefore, if only for this reflection, apart from the duty of enforcing the laws issued on the subject, must always be actively carried out by the police, but this fact must not illude the authorities that the black market is being suppressed. If, say, the police had sufficient men and means to reach this end they would also achieve the disappearance of the goods concerned from the market, and this would prejudice production when the prices imposed did not cover the expenses incurred in production itself. The danger of these phenomenon, however, does not lie in the fact that they occur but in that they cannot continue occurring ad infinitum, without the money at a certain moment to all practical purposes annulling itself and ceasing therefore to be a means of exchange. In that case, return to barter and to payment in kind becomes inevitable, which obviously cannot satisfy the exigencies of a modern society. From several of the Prefects' reports it would appear that these effects are already becoming evident, especially in the country, where the agriculturalists, burdened with paper money which is not useful in procuring the manufactured goods that they desire, because these goods no longer exist on the market, demand in exchange for the cession of their products other useful objects which are to be found now only in the possession of private persons. Agricultural labourers in their turn do not intend to give their work if they are not paid at least in part, with supplies. This happened during the recent olive harvest. On the other hand, the money riches accumulated by Agricultural speculators in times of inflation are for the most part, fictitious and have only a relative value in regard to others' poverty, i.e., those numerous persons, who take no part in speculation. These riches are with difficulty converted into solid possessions on account of the supervalue they acquire through inflation and because they would have to renounce the enormous profits procurable from rapid commercial investments. Their owners are induced then, in the momentary impossibility of finding desirable investments, to deposit their money in the banks - not for love or for the virtue of saving - but while awaiting its useful employment. It appears, in fact, from the Prefectures'

reports that dealings in immoveable property are rare, while the Banks abound with deposits, effected almost exclusively by Agriculturalists, including the ordinary peasant and the merchant. Another phenomenon has been mentioned by the Prefectures, which has its reflection on the spirit of the Public, and which might at a given moment become serious: it concerns the formidable outlays made by the new-rich, who buy at any price anything that pleases them in competition with other speculators in other commercial fields and who further give themselves most costly entertainments. A phenomenon this, arising on the one hand from the facility of profit given by speculation and on the other from the persuasion that money spent at present offers satisfactions greater than that which can be offered in the future when money will be further depreciated. In this way, are formed three categories of persons: the producers, the speculators and the simple consumers. The first, besides their gains have always their real property which withstands the phenomenon of inflation and in the worst hypothesis they can count on the possession of this property, renouncing profits, with the consequence, however, of not producing anything for anyone else; the second realise rapid and considerable profits and can hold out until inflation arrives at its ultimate conclusion; the third, are the greatest and innocent victims of inflation, being unable to do anything but pay the prices asked by the speculators or in any way save from devaluation their possible savings, they are composed of persons with fixed incomes, salaried officials and employees and professionals. It is they who suffer most from this state of things and the reports from all Prefectures are unanimous in this regard, because it is these people who are forced by necessity to spend more than they have, they sell or pawn any objects of value they possess, and reducing themselves thus to real poverty, they suffer none the less from hunger. In conclusion, if inflation is not arrested at a certain moment it ends by bringing disaster to all and is therefore almost inevitably the cause of serious disturbances of public order.

Another problem which weighs seriously on all the economic life of the nation together with that of inflation is the lack of transport, which is indicated by all the Prefectures as one of the principal causes of the high price level of goods and as impeding the regular supply of essentials. This problem in as much as it devolves upon the number of available means of transport would appear to be absolutely impossible of solution by the Italian Authorities, because they have not the possibility, in the present state of industry, of manufacturing spare parts or even repairing those in existence, spare parts being practically exhausted, it could only be resolved by intervention on the part of the Allies. The Italian Authorities might all the same bring influence to bear

speculation and on the other from the persuasion that money spent at present offers satisfactions greater than that which can be offered in the future when money will be further depreciated. In this way, are formed three categories of persons: the producers, the speculators and the simple consumers. The first, besides their gains have always their real property which withstands the phenomenon of inflation and in the worst hypothesis they can count on the possession of this property, renouncing profits, with the consequence, however, of not producing anything for anyone else; the second realise rapid and considerable profits and can hold out until inflation arrives at its ultimate conclusion; the third, are the greatest and innocent victims of inflation, being unable to do anything but pay the prices asked by the speculators or in any way save from devaluation their possible savings, they are composed of persons with fixed incomes, salaried officials and employees and professionals. It is they who suffer most from this state of things and the reports from all Prefectures are unanimous in this regard, because it is these people who are forced by necessity to spend more than they have, they sell or pawn any objects of value they possess, and reducing themselves thus to real poverty, they suffer none the less from hunger. In conclusion, if inflation is not arrested at a certain moment it ends by bringing disaster to all and is therefore almost inevitably the cause of serious disturbances of public order.

Another problem which weighs seriously on all the economic life of the nation together with that of inflation is the lack of transport, which is indicated by all the Prefectures as one of the principal causes of the high price level of goods and as impeding the regular supply of essentials. This problem in as much as it devolves upon the number of available means of transport would appear to be absolutely impossible of solution by the Italian Authorities, because they have not the possibility, in the present state of industry, of manufacturing ~~new~~ ^{new} ~~transport~~ ^{transport} or even ~~by~~ ^{by} repairing those in existence, spare parts being practically exhausted, it could only be resolved by intervention on the part of the Allies. The Italian Authorities might all the same bring influence to bear for a better exploitation of existing means of transport, by organising the whole transport system in a more rational manner, taking into account, as they go along, the needs of the moment.

The productive processes in their turn suffer from the influences of inflation and lack of means of transport.

In Agriculture, inflation influences the quantities of the products destined to the "Ammassi", as expenses incurred in their production are not met, therefore inducing the agriculturalists to restrict more and more the cultivation of these products, i.e. those most essential for the feeding of the populous, and in any case to keep them back from the "ammassi" in order to sell them on the black market. The lack of means then renders difficult the transport of certain free trade products, such as wine, vegetables etc., to the selling markets. This is a cause of serious loss to the agriculturalists who end by having no further care for these productions from which they draw no profit, and tend to reduce their output to the quantity necessary for their own immediate needs. Many Prefectures have reported the alarming general restriction of cultivated surfaces this year, in comparison with previous years, a phenomenon which is influenced by other important causes, such as the exorbitant wages to be paid for manual labour and the deficiency of agricultural implements, beasts of burden, fertilizers and even seeds. All the same the preparations for the sowing of cereals are practically everywhere well advanced, except in a few districts in Sicily, where they have had to be suspended on account of the persistent drought. The olive harvest which is carried out largely during this month has been abundant in nearly all provinces, but the producers are restive about consigning them to the "ammassi", holding that the price paid is unfair. There has also been a good cotton crop gathered in the few provinces where its cultivation is possible.

Horticulture naturally reacts to the season which is favourable to only a few products. As regards the prices of these products when they reach the market the same remarks apply as far as agricultural products in connection with inflation and transport.

Industries have made no progress except in the provinces of Naples, Avellino, Salerno and Catania in, however, industrial branches of very little importance. The transport problem influences them profoundly as it prevents the supply of necessary raw material and the export of the finished products, especially from the mines. Particularly damaging in this respect is the suspension of all maritime transport services between Sardinia and the continent.

Fishing is in the same state as in the previous month. It is useless to repeat that also this industry feels strongly the effects of inflation and the lack of transport so that the prices of its products are so high as to be accessible to only the privileged few.

Commerce continues to be obstructed by transport conditions, with serious consequences to the most necessary supplies for the population in most provinces.

productions from which they draw no profit, and tend to reduce their output to the quantity necessary for their own immediate needs. Many Prefectures have reported the alarming general restriction of cultivated surfaces this year, in comparison with previous years, a phenomenon which is influenced by other important causes, such as the exorbitant wages to be paid for manual labour and the deficiency of agricultural implements, beasts of burden, fertilizers and even seeds. All the same the preparations for the sowing of cereals are practically everywhere well advanced, except in a few districts in Sicily, where they have had to be suspended on account of the persistent drought. The olive harvest which is carried out largely during this month has been abundant in nearly all provinces, but the producers are restive about consigning them to the "ammassi", holding that the price paid is unfair. There has also been a good cotton crop gathered in the few provinces where its cultivation is possible.

Horticulture naturally reacts to the season which is favourable to only a few products. As regards the prices of these products when they reach the market the same remarks apply as far agricultural products in connection with inflation and transport.

Industries have made no progress except in the provinces of Naples, Avellino, Salerno and Catania in, however, industrial branches of very little importance. The transport problem influences them profoundly as it prevents the supply of necessary raw material and the export of the finished products, especially from the mines. Particularly damaging in this respect is the suspension of all maritime transport services between Sardinia and the continent.

Fishing is in the same state as in the previous month. It is useless to repeat that also this industry feels strongly the effects of inflation and the lack of transport so that the prices of its products are so high as to be accessible to only the privileged few.

Commerce continues to be obstructed by transport conditions, with serious consequences to the most necessary supplies for the population in most provinces.

The food situation is getting worse, especially in the large centres. From the Prefects' reports it is clear that only the peasants are well-off for food and, by comparison with the others, those provinces which are predominantly agricultural are in a fairly good condition. The food market in the large city centres, where goods of first importance must be brought a considerable distance, suffers most seriously from the general

economic situation above described; hence, very high prices and scarcity of goods. Of rationed goods, only bread has been regularly distributed, but in insufficient quantities, so much so, that the consumers are driven to the black market to supplement them. Other types of foodstuffs have been distributed in lesser quantities than those foreshadowed, or else have not been distributed at all, causing lively discontent among the population. The deficiency and, naturally, even more the entire lack, of distribution of pasta has been very much felt and for this reason several popular agitations have taken place. The grain situation has been particularly serious in some Sicilian provinces in which the stocks at the "ammassi" have been exhausted. To meet the situation the High Commissioner has had to have recourse to the extraordinary measure of requisitioning a percentage of the grain quota left to the producers, who showed themselves very unwilling to make the consignments, persuaded that instead of an advance, as they were assured, it was a definite requisition. Also in Sardinia, the grain consigned to the "ammassi" was not sufficient for the needs of the population, especially in the province of Nuoro, but a large cargo of grain arrived from America in time to prevent a most serious food crisis. The scarcity of transport produces remarkable disproportions both in quantities and in prices in certain lines of first importance from one province to another. It is sufficient to point out that at Sassari meat is relatively abundant and is sold for 65 Lire a kilo, while in Rome it is almost unprocurable and is sold for 500 Lire a kilo.

Prices of clothing are exceedingly high even of the most necessary articles so that they are quite inaccessible to the majority of persons.

In many provinces, on account of the lack or insufficiency of the supply of gas and electricity, vegetable coal is an absolute necessity, it is however very scarce everywhere in relation to the demand, especially in such provinces as the Puglie which are far from the centres of production. Of course, also this type of goods both as regards prices and quantities is influenced by the economic factors above described, which all contributes to aggravate the discomfort of the population.

4. SPIRIT OF THE PUBLIC.

In general there is great depression on account of the serious economic situation from which no way out is visible, and which indeed seems to be becoming more and more menacing. Also the slow progress of the war has helped to keep low the morale of the population, who, up to a little while ago believed in a speedy end to the

at the "ammassi" have been exhausted. To meet the situation the High Commissioner has had to have recourse to the extraordinary measure of requisitioning a percentage of the grain quota left to the producers, who showed themselves very unwilling to make the consignments, persuaded that instead of an advance, as they were assured, it was a definite requisition. Also in Sardinia, the grain consigned to the "ammassi" was not sufficient for the needs of the population, especially in the province of Nuoro, but a large cargo of grain arrived from America in time to prevent a most serious food crisis. The scarcity of transport produces remarkable disproportions both in quantities and in prices in certain lines of first importance from one province to another. It is sufficient to point out that at Sassari meat is relatively abundant and is sold for 65 lire a kilo, while in Rome it is almost unprocureable and is sold for 500 Lire a kilo.

Prices of clothing are exceedingly high even of the most necessary articles so that they are quite inaccessible to the majority of persons.

In many provinces, on account of the lack or insufficiency of the supply of gas and electricity, vegetable coal is an absolute necessity, it is however very scarce everywhere in relation to the demand, especially in such provinces as the Puglie which are far from the centres of production. Of course, also this type of goods both as regards prices and quantities is influenced by the economic factors above described, which all contributes to aggravate the discomfort of the population.

4. SPIRIT OF THE PUBLIC.

In general there is great depression on account of the serious economic situation from which no way out is visible, and which indeed seems to be becoming more and more menacing. Also the slow progress of the war has helped to keep low the morale of the population, who, up to a little while ago believed in a speedy end to the conflict, with, it, was hoped a profitable peace. In general the action of the Government to ease the discomforts of the population is unfavourably viewed because it is held to be too weak and inadequate to the needs of the moment. On the other hand many maintain that the Government has not the possibility to better the situation, even if animated by the greatest good will. The Ministerial crisis, as has been said, was commented upon unfavourably in those circles where it was followed with any interest. The call to arms of certain classes of young men awoke

no enthralled class of the citizenry and many, especially those more directly concerned, showed themselves definitely against it.

5. CONDITIONS OF PUBLIC SECURITY.

In certain provinces conditions of public security have improved in comparison with the previous months; in others, either they have remained stationary or they have deteriorated. Many prefectures attribute to the deficiency of men and means, in the police service, the increase in the number and the gravity of crimes. In fact, in Rome after the night-patrols were instituted an improvement was immediately noticed as regards crimes, vagabondage, prostitution and juvenile delinquencies. These last have become so preoccupying in some provinces that a special curfew has had to be adopted for minors. Prostitution has decreased in some large centres such as Naples, where however it is still serious, while it is still on the increase in others, such as Rome, Bari, Palermo, Taranto, Foggia, Messina and Lecce. Several prefectures a propos of brigandage and cattle-stealing have reported that very many CC.RR. stations are staffed by a greatly inferior strength to that established and not infrequently they are reduced to two men, including the Commander, so that it is impossible for them to carry out effective preventative or repressive action against criminals. In order to combat juvenile delinquency police provisions have proved to be insufficient as they limit themselves to arrest and consignment to the parents and it is actually the latter who instigate their young to follow a life of lawlessness, maintaining it to be to their personal gain. To quell this most preoccupying phenomenon of juvenile delinquency, which is the sure forcing house of habitual and incorrigible criminals for the future, deaf as these are to all reasoning, often sick not only morally but also physically, from having learnt precociously the most pernicious vices, to the grave danger of society, it would be necessary to place them at once in reformatory institutions. However, this provision which would be the only effective one to put the corrupted youngsters on to the moral road, by means of an appropriate education and the learning of a trade, is hardly ever possible on account of the absolute insufficiency of institutions of the kind, many of which have ceased to function because of war damage. It would be necessary therefore to rebuild them and to house them meantime in other buildings with the urgency called for by the existing state of things. Lacking this, it is inevitable that the minors dedicated to vagabondage, to theft and other illegal activities, also associated with ~~other~~ older criminals, are ever increasing in numbers and, incapable of any honest work they will end, in time, by going to swell the ranks of habitual criminals in their wretched

crimes. In fact, in Rome after the night-patrols were instituted an improvement was immediately noticed as regards crimes, vagabondage, prostitution and juvenile delinquencies. These last have become so preoccupying in some provinces that a special curfew has had to be adopted for minors. Prostitution has decreased in some large centres such as Naples, where however it is still serious, while it is still on the increase in others, such as Rome, Bari, Palermo, Taranto, Foggia, Messina and Lecce. Several Prefectures a Propos of brigandage and cattle-stealing have reported that very many CC.FF. stations are staffed by a greatly inferior strength to that established and not infrequently they are reduced to two men, including the Commander, so that it is impossible for them to carry out effective preventative or repressive action against criminals. In order to combat juvenile delinquency police provisions have proved to be insufficient as they limit themselves to arrest and consignment to the parents and it is actually the latter who instigate their young to follow a life of lawlessness, maintaining it to be to their personal gain. To quell this most preoccupying phenomenon of juvenile delinquency, which is the sure forcing house of habitual and incorrigible criminals for the future, deaf as these are to all reasoning, often sick not only morally but also physically, from having learnt precociously the most pernicious vices, to the grave danger of society, it would be necessary to place them at once in reformatory institutions. However, this provision which would be the only effective one to put the corrupted youngsters on to the moral road, by means of an appropriate education and the learning of a trade, is hardly ever possible on account of the absolute insufficiency of institutions of the kind, many of which have ceased to function because of war damage. It would be necessary therefore to rebuild them and to house them meantime in other buildings with the urgency called for by the existing state of things. Lacking this, it is inevitable that the minors dedicated to vagabondage, to theft and other illegal activities, also associated with ~~other~~ *older* criminals, are ever increasing in numbers and, incapable of any honest work they will end, in time, by going to swell the ranks of habitual criminals in their worst form, that is to say in the so-called evil life.

In many provinces, after the publication of the decree law which regulates the composition and functioning of those Commissions of which under the past régime representatives of the national fascist party formed part, and therefore of the provincial commissions for Police regulations, these last have been reconstituted and have begun to function by removing from circulation or keeping guard over the most anti-social persons by means of internment or admonition. From these provisions the Prefectures hope for very beneficial effects.

HEADQUARTERS ALLIED COMMISSION
Public Safety Sub-Commission
APO 994

File

1A

AG/14613/29/TS

21 Nov 1944

SUBJECT : Monthly Reports.

TO : Ministry of Interior, Director Public Security.

1. So that this Headquarters may keep informed on the general conditions of the corps of Public Security Agents, and in particular of the action being taken to raise the Corps to a higher state of efficiency and morale, it would be appreciated if you would furnish a monthly report to this office.

2. The report should deal mainly with administrative matters, at Governmental level, or any events in the Provinces which have an effect on the policy or administration of the Corps as a whole.

3. A lengthy report is not required, but rather information which gives an idea of action taken and results achieved, covering the following points:-

- (1) Inspections carried out by HQ officers.
- (2) Strength: general comments only, actual figures to be furnished as already asked for.
- (3) Promotions. General working of system, individual cases only required in case of promotion made under special circumstances.
- (4) Retirement. General working of system.
- (5) Recruiting. General comments and progress.
- (6) Training. Number of schools : number under training, general comments.
- (7) Replacement Centres. Location, accommodation.
- (8) Internees and POW. General comments, release, etc.
- (9) Epuration. General comments on progress and procedure, not figures.

- (10) Discipline. Measures taken to improve, and to deal with complaints against Police.
- (11) Agents. employed on non police duties.
- (12) Patrols.
- (13) Uniforms. equipment, accommodation, transport.
- (14) Crime. General situation, special action taken to combat, special political meetings, riots or serious disturbances.
- (15) Press & Public. reactions of the Press, relations with public.
- (16) Pool of questions. Any special points.
- (17) Organization. Important changes.
- (18) Any special matters or difficulties.

JOHN W. CHAPMAN
Colonel, J.A.C.D.
Director Public Safety
Sub-Commission

BP/jwf

