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AGRICULTURE

DEC. 1944 - MAY 1945

SECURITY DIVISION
FILE

MINUTE SHEET

NO OF SHEET	DATE	FILE NO. of ans'd STR	FROM WHOM	SUBJECT
1	23 Dec.	-	-	- OLIVE OIL AMBASSI
2.	26 May	-	-	DI GIOREIO Giusyff

HEADQUARTERS ALLIED COMMISSION
A.P.O. 394
PUBLIC SAFETY SUB COMMISSION
SECURITY DIVISION

(2)

REF : SD/377

28 May 1945

SUBJECT : Giuseppe DI GIORGIO - Castrocielo, Frosinone -
TO : 406 F.S. Section, C.M.F.

1. The above named is in possession of a certificate dated 29.5.44 signed by Sgt. A. TRAVIS(?) 406 F.S. Section and issued at Roccasecca, referring to two wounded mules, one of which later died.

2. The Italian Ministry of Agriculture is now claiming the survivor from subject, and in order to be able to make representations to the Ministry, the Agriculture Sub Commission has requested that you be contacted in order to provide grounds on which such representations may be made.

JW
JOHN W. CHAPMAN,
Colonel J.A.G.D.,
Director Public Safety,
Sub Commission.

CBH/nb

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HEADQUARTERS ALLIED COMMISSION
A.P.O. 324
PUBLIC SAFETY SUB COMMISSION
SECURITY DIVISION

REF : SD/377

1781

23 December 1944

SUBJECT : Olive Oil Ammassi

TO : Economic Section, ALCOM

1. Extract from an PSS report received this
Division forwarded as a possible interest to your section.

S.W.
JOHN W. CHAPMAN,
Colonel J.A.G.D.,
Director Public Safety,
Sub Commission.

CH/nb

1035

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Extract from 636.3-28 - Security Division.

For some time past reference has been made in comments in these reports on the precarious food situation due to the iniquitous bureaucratic monstrosities left behind by Fascism in the form of SEPRAL CONSORZIO AGRARIO etc. The following information from a reliable commercial contact will illustrate more clearly why such remarks are heard in every conversation with Italians about this matter.

Olive oil is a vital necessity for the Italians. Under the present system the Ministry of Agriculture orders that all olive oil shall be pooled by producers, the pooling organization being the Consorzio Agrario of each prov. The Ministry of Agriculture has fixed the retail price of olive oil on the ration card at 60 lire a litro and the oil producer is paid 50 lire a litre for the oil he turns in to the Consorzio pool.

In actual practice the producers either turn in no oil at all or only a very small quantity of their total production. The causes of this are the following. The farmers in S. Italy will not sell their olive crop to the oil mills for less than an average price of 3000 lire a quintal. A quintal of olives renders about 18 litres of oil. Therefore a litre of oil costs the producer about 170 lire. The oil producer can therefore only market this commodity at a retail price about 225 lire, which allows for labour, transport, leakage and a reasonable profit.

The oil mills are visited by inspectors from the Consorzio Agrario, who being in the fixed salary category of workers, are naturally poorly paid and who are not difficult to corrupt. The oil mill owner therefore reaches an agreement with the inspector at a price, possibly 15 or 20,000 lire, and the inspector falsifies the registration of the quantity of olive oil produced, declaring only a fraction of the total. In this way the oil mill owner is then at liberty to put the remainder of his produce into the Black Market at anything up to a 1000 lire a litre, depending on distance and transport.

As source points out, the fundamental error in this system of trying to control oil production is that not the product, but the raw material, i.e. olives, should be pooled if the system is going to work at all. Even then probably not more than 50% or 60% of the total oil production will be obtained for distribution by the rationing system, but it would be better than the present arrangement. A far better system if controls must be applied, would be to put the

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Further criticism of the system has recently been appearing in the press and is directed towards a branch of the Federation of Consorzi Agrari, known as FEDERSPORT, which has recently obtained a concession for a fruit and vegetable handling organisation in the ROME general markets known as FEDERFRUTTA. FEDERSPORT which deals principally with the tpt of fruit and vegetables by rail is apparently ma-

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king fantastic sums of money by reason of the large number of railway goods wagons which it can use to bring in consignment. The price per kilo for rail tpt is a mere fraction of that to be paid by other firms who must rely on road tpt. Yet so far from selling its goods at cost plus rail tpt plus small profit, FEDERSPORT & FEDERFRUTTA are marketing produce at the normal fixed market prices. For example, grapes in PUGLIA could be sold wholesale at 5-7 lire a kilo. All expenses paid, they could have been marketed in ROME by FEDERFRUTTA at not more than 10 lire a kilo. Yet they were in fact sold at 25-32 lire a kilo. If it is calculated that each railway wagon conceded to FEDERSPORT carries 100 quintals (10000 kilos), the resulting profit to FEDERSPORT can be seen to be fantastic (200,000 lire per wagon), and the number of wagons used by FEDERSPORT is believed to run into hundreds per month.

The above is merely further demonstration, if any were needed, that the abolition of such profiteering bottlenecks in the food distribution system is so urgent as to constitute a civil security problem. We cannot too often repeat that a coercive organisation in the present. Confused state of liberated Italy, is about to fail and make confusion worse confounded until popular exasperation on overflows in act of violence. The whole coercive system and its utility for Italians is summed up in an Italian proverb: "Fatta la legge, trovato l'inganno". (as soon as the law is made, you can find a way round it).

The only solution is free exchange of goods and more liberty for private enterprise.

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