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ACC 10000/143/2194

380/02

BLACK MARKET - NAPLES

DEC. 1943 - JUNE 1944

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FILE

MINUTE SHEETS

No. of sheet	Date	File no. of Ans'd Ltr.	From whom	Subject
1.				Black Market Operation in PIS
2.	13 April		Relates	- Report on Catania & Messina B.A.
3.				Black market of Naples.
4.				Black market reports - Ensign from 1st Black market - stolen military arms

MITT.

ESPOSITO RAFFAELE
CAVONE 120 - NAPOLI

DEST.

QUESTORE DI NAPOLI

27 June 1944

BLACK MARKET

The writer informs that on the 25th of June two military cars (probably belonging to the Italian Army) have brought to a certain Arico Giovanni, living on Salita Pontecorvo No. 19, furniture, rice, macaroni, canned foods, cheese, etc.

All these goods were stolen by a sergeant named Erico Mario at the military Hqs. in Gava dei Tirreni.

2743

HEADQUARTERS
ALLIED CONTROL COMMISSION
R.C. & M.G. SECTION

Copy
38001

2162/INFO
9 MAY 1944

SUBJECT: Black Market Reports (II)

TO : Special Prosecutor,
Public Safety Division,
Region III

1. The following information is extracted from recent black market reports received by the information division, A.C.C. from the civil censorship group.

a. In his letter, Matino Giovanni, proposes the sale of 300 or 400 quintals (hundred kilo) of sulfur at 2000 lire a quintal. (from: Matino, Giovanni - via Giacomo Leopardi 65 - Puorigrotta)

b. writer states that in regards to his complaint that the baker Gorrontina Grazia did not distribute bread on 30th Apr. the address of the bakery is via S. Maria Avvocata Borgo S. Antonio Abate 15, instead of the address he originally gave. (from: Sineoli, Raffaele - corso Garibaldi 178 - Napoli)

c. writer states; that on the 30th of April, the baker Goppola Salvatore via Pignasecca 35, failed to distribute bread and flour. (from: Gosta, Eugenio - Strada Nuova S.M. Ognibene 76 - Napoli)

d. writer informs that Alpedo, Bruno, baker at via Tassa 268, did not distribute bread or flour the 29th & 30th of April. The bread he does distribute is ill baked and always without salt. (from: Vito Domenico, Eugre - Via A. Falcone 442 - Napoli - Vomero)

e. TELEGRAM FROM POSSIBLE RELATIVE OF WATCH LIST SUBJECT

The text of the telegram reads:-

"For new disposition they do not permit expedition of sections of trains (wagons)".
reviewer's note:

This telegram was submitted because the sender's name is German. Watch list records indicate that an APPENSCHEIT, Nathan, via Napoli 54, Lagonegro, POTENZA was submitted for the watch list by the Allied censor control officer, Potenza on 24 March as a suspected black market operator. This telegram may have some bearing on these activities. (from: APPENSCHEIT, Graziano - Lagonegro - Potenza).

John V. Hinkley
Major, M.I.
for NORMAN E. FISKE
Colonel, Cavalry
Deputy Executive Commissioner

HEADQUARTERS.

ALLIED CONTROL COMMISSION.

Security Branch.

SUBJECT:- Black Market in Naples.

13th April, 1944.

Ref. No:- SB/311.5/380.02.

TO :- Colonel A.E.Young, Director - Security Branch.

1. With reference to the attached file handed into this Branch by Colonel Rawlins, I have to report that I have now seen Lt. Col. DOHERTY and Lt. FIELDING.

2. After Major MICHALL had accompanied the black market operators to Naples, seen the flour delivered, and the money paid over, he came to Region 3 and saw Lt.Col.Borg and Lt. Fielding. A conference took place and it was decided not to effect the arrest immediately of TRANZILLO SERAFINO (Lt.Col.Werner's driver) and ROMANNO Felice, but to keep observation on the premises in Naples and make enquiries to see if any other persons were implicated in this City.

3. Major MICHALL returned and Lt. FIELDING and Lt. SHAW made enquiries. They also kept observation on the premises for one whole night, but nothing further materialized, either in Naples or Apricena. It had been expected that the black market operators in Apricena would try and bring another load of flour to Naples ~~by the same method, but unfortunately this did not happen.~~

4. Lt. Fielding went to Foggia and saw Major MICHALL. They agreed to arrest the two Italians mentioned in para 2 of this report at an agreed time, and for Major MICHALL to effect the arrests in his district, including the arrest of the mill owner, Luigi Di Maso of Apricena, on the same day as Lt. FIELDING would carry out the two arrests in Naples.

5. Lt.Fielding returned to Naples, effected the two arrests, and handed the two men over for trial at Major MICHALL. He does not know the result of the trial.

6. Lt. Fielding searched the two men's houses and the premises where the grain had been stored, but found nothing. The reason was undoubtedly because the premises had not been continually watched from the time the grain arrived. Lt. FIELDING is of the opinion that the two men should have been arrested by Major MICHALL as soon as the grain was unloaded and the money paid over.

MANZILLO SEARCHING TO DO SO - THE REASON FOR THIS IS TO KEEP OBSERVATION ON THE PREMISES IN NAPLES AND MAKE ENQUIRIES TO SEE IF ANY OTHER PERSONS WERE IMPLICATED IN THIS CITY.

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Richard Fielding
Captain.
Security Branch A.C.C.

2712

C O P Y

REPORT

56/315/44.08.

On 31 Dec. 43, I was told by a Canadian driver of an Army vehicle that he had been approached by a man in a restaurant at Apricena at which the soldier had called for a meal. The man asked whether the soldier was prepared to take a load of flour probably to Naples and said he was prepared to pay 1000 lire for each sack of flour so carried. The soldier, after saying he was unable to do so, but could find another lorry and driver for the purpose, reported the facts to this office.

Consequently I arranged for T/14531596 Dvr, Carter, S., RASC, AMG, Sansevero to be introduced by the Canadian soldier to the man at Apricena above mentioned. This was done and proposal to transport a number of sacks of flour to Naples was accepted by Carter.

The preliminary arrangements were reported verbally by me to the S.C.A.O.; Lt. Col. Temperley, OBE, MC, (Foggia Province), who concurred AMG Austin 3 tonner No. Dvr
Stafford and Lt. Carl Anderson with Jeep, all from Foggia HQ AMG, were to assist in the plan.

At 1230 hrs on Thursday 6 Jan 44, dressed as a L/Cpl., I went to Apricena in the Austin 3 tonner, along with Drivers Carter and Stafford. We went into the restaurant and saw four men seated there. They obviously expected us. One (who subsequently was of great interest) spoke English and acted as interpreter. Tranzillo Serafino. He told me he was employed as driver interpreter by Col. Warner, AMG Naples, an American Officer; I assumed lack of interest. I was referred to by Carter as the NCO i/c. I asked "Where is the load?" We went to be off. Through the interpreter, who referred to the negotiator, I received the reply that the flour was at the local mill, but what about getting stopped by the Police? To that question I replied that they could leave it to me. We three then left the restaurant and went to the mill (about 200 yds away) and there saw the proprietor, Luigi Di Maso fu Vincenzo. I questioned him about payment to us and he replied that was to be made by the man at the restaurant, through whom the arrangements had been made.

Di Maso's employees then loaded the lorry with 37 sacks (each about 2 cwt) of flour. I refused to move the flour until we had received half the agreed price for transport. The mill owner sent someone to the restaurant and we then went there.

It had previously been arranged that the man who was to pay us would accompany us on the lorry. When we returned to the restaurant, however, this man, Bonanno Felice, (the negotiator) with the other

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It had previously been arranged that the man who was to pay us would accompany us on the lorry. When we returned to the restaurant, however, this man, Bonanno Felice, (the negotiator) with the other three was sitting in a Ford Car Marked AMG 1/315 N, USA. He came to us and I asked how much he was prepared to pay us as I refused to budge until at least half of what we were to get for the job was paid me. He thereupon produced from his pocket a number of lire notes and handed me 15,000 lire. To my surprise he said that the flour men were going in the car and would follow us to Naples. This was disconcerting and in view of the official description of the car, amazing too. I had no alternative to agreement and we set off at 1415 hrs.

The lorry, heavily laden to the extent of 3 tons 14 cwt approx., was followed by the car, with Lt. Anderson and Jeep some distance behind.

The journey was accomplished with extreme difficulty, owing to the state of the roads (frozen snow, convoys incapable of movement, and interminable delays). The driver of the AMG Naples car stopped and told us that three of them had decided to go on to Naples and leave one in the lorry to direct us.

This was still further discouragement and I was tempted to finish the job and arrest them then and there. To do this would not disclose the destination at Naples and although satisfactory to me would not

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complete the case. I therefore reluctantly decided against immediate arrest and continued to Naples, relying upon tracing the occupants of the car through the driver, if they were not at Naples on our arrival, and could not be found by me in Apricena.

We arrived at our destination at 0145 hrs. only two of the men whom we saw in the restaurant were there. The AMG car and driver had disappeared. The flour was unloaded by these men and placed in a stable at 310 Via Torre Annunziata, Naples (opposite No. 2 PW Camp). by the negotiator and another man of the party leaving Apricena. I was satisfied that the place is a store house of considerable capacity for black market goods, although the stable, which formed a very small portion of the whole of the buildings, was empty on arrival.

Again I had to resist the desire to arrest the persons concerned but again decided to wait.

I was further paid by the negotiator the sum of 10,000 lire outside a house in a courtyard, about a quarter of a mile from where the flour had been left. Carter and Stafford were present.

It was then 0330 hrs 7 Jan 44, and we obtained accommodation in Naples. At 0830 hrs I went to Lt. Col. Dockerty's office (AMG SCAPO Naples), to report. In his absence I saw Lt. Col. Borg, SCAO Naples City. I told him the facts and said that as far as I was concerned my case was complete but suggested that to seize the 37 sacks of flour and make the arrests might not achieve much from their angle at Naples. Lt. Col. Borg agreed and asked me not to take any further action whatever at that stage, and expressed his appreciation of the facts discovered. He also appreciated that the delayed arrests were disappointing from our point of view.

On strolling round the building we saw in the yard at the Municipio Naples, along with other cars of AMG, the car which had accompanied us on our journey from Apricena to Naples.

The whole of the facts relating to this car were also supplied to Col. Borg and I informed him that the unexplained presence of that car and its driver had influenced me considerably in delaying arrest. How the AMG official car I/315 N could come to Apricena from Naples, convey a number of black market crooks to Naples, and the driver interpret the negotiations caused me no little concern. (It was obvious they were not out to catch military drivers doing as we were).

1. Lt. Col. Borg further requested that the driver on no account be approached at present. (He stated that Lt. Col. Warner was the A/SCAPO Naples City, the car and driver being normally used by Lt. Col. Warner and another officer).

2. That Naples AMG Police should be shown the place where the flour had been left and the house in the courtyard where the balance of the

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1. Lt. Col. Borg further requested that the driver on no account be approached at present. (He stated that Lt. Col. Warner was the A/SCAPO Naples City, the car and driver being normally used by Lt. Col. Warner and another officer).
2. That Naples AMG Police should be shown the place where the flour had been left and the house in the courtyard where the balance of the money had been paid.
3. That Naples should have reasonable time to conduct enquiries there before we completed our arrests at Apricena, as he was satisfied they would help to clear up large black market operations at Naples.
4. That Naples should be supplied with a copy of this report.
5. That arrangements should be made by me for further cargoes to be transported from Apricena to Naples, as they would probably be taken to a another destination in that city. They (Naples) would supply any number of vehicles (up to 100), as they considered the case of extreme importance

I agreed as in paras 1, 2, 3, and 4 and suggest that if the proposals of 5 are carried out, an officer be detailed from Naples with Driver Carter to conduct them, as it may be necessary for that officer to devote to the plan the whole of his time for a considerable period.

As far as the case stands at present abundant evidence is in my possession to justify the arrest of (1) Bonanno Felice whose name

I could not in the circumstances compel him to give me, (He avoided my questions). He can be found at the restaurant at Apricena where he resides. (2) The mill owner, Di Maso, Luigi, Apricena, and (3) the driver of the car.

I consider the other two men (of the labouring type) were of insufficient importance to justify proceedings in their case. Naples undertook to forward the name and address of the driver forthwith.

The sum of Lire 25,000 paid to me is marked and in my possession until further instructions.

I should like to record my appreciation of the excellent work performed by the CR's taking part in this case.

I suggested that a copy of this report be sent to Lt. Col. Borg SCAO, Naples City and that such time as the SCAO Foggia considers reasonable be allowed Naples before arrests are made at Apricena.

Signed

H. MICHAEL, Maj.
CAPO

2218

C O P Y

ADDITIONAL STATEMENTMaj. H. MIGHALL.

On Sunday, 23 Jan I searched the mill of Di Maso at Apricena; finding 22 sacks of flour therein. I also searched the warehouse of Felice BONANNO, and found 22 sacks of flour therein.

I saw Bonanno and Tranzillo at CC:RR. Headquarters, and told them why they were being detained. They professed ignorance of the facts of the case. I had Di Maso detained on 23 Jan 44, and released on 24 Jan 44.

Attached are statements by Major Mighall, Driver Carter, and also one made by Tranzillo Serafino on his arrest.

I suggest that a Superior Military Court be convened to deal with this case.

No doubt you will inform me indue course of the charges to be preferred against these men.

Signed

2737

H. Mighall, Major.

C O P Y

T/14531 596 Driver S. Carter states :

On instructions from Major Mighall I went at about 12 noon on 3 January 44, to a restaurant in Apricena. I there saw a man I knew now, Felice Bonanno. I was introduced to him by another soldier who went into the restaurant with me.

Bonanno asked me if I would take a load of flour to Naples in the Army truck which I drive. He offered 1.000 lire per sacks. I agreed and arranged with Bonanno for me to take the truck to Apricena at 12 noon on Thursday 6 Jan 1944, to do the job.

At that time I went with Major Mighall, who was dressed as a lance-corporal, and Driver Stafford of AMG, to the restaurant. I went in and saw Bonanno there, also a man I know to be Tranzillo Serafino. This other man, Tranzillo acted as interpreter for Bonanno. Bonanno said that the flour was stored only a few yards away and Major Mighall Stafford and I were then directed in our AMG lorry to a flour mill nearby. 37 sacks of flour were taken out of the mill and loaded into the truck under the direction and in the presence of the man I now know to be Di Maso Luigi. After loading, we again went to the restaurant which was about 200 yards from the mill, and again saw Bonanno. He had a conversation with Major Mighall and I saw him hand the Major a number of L. 1.000 notes. At that time Tranzillo and the two men we had seen in the restaurant were in a car standing in front of our truck. The driver of the car came up and said they were going to follow us to Naples in the car. We then left Apricena. Stafford drove the truck, with Major Mighall in the front, and I went in the rear of the vehicle with the flour.

When we stopped on the way, Tranzillo came up to the truck and said he wanted some petrol to complete the journey in the AMG car he was driving. At first we refused but later gave him 4 gallons which he placed in the tank of the car he was driving. He then said he would put one of his passengers from the car into our truck to show us to Naples and the place to which the flour should be taken; that we were going too slowly owing to the frozen state of the roads and he wanted to get on. That was done and we arrived at Naples and were directed to our destination by the Italian who travelled with us. We unloaded the flour in a warehouse and then went with Bonanno

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On the 20 Jan I went to Naples and brought Bonanno and Tranzillo and had them locked up by the Carabinieri at Sansevero.

Signed

S. Carter

T/14531896.

785016

C O P Y

STATEMENT

TRANZILLO Serafino fu Vincenzo, of Via Guglielmo Marconi, No. 32, Resina, states:

I am a chauffer employed by AMG, Naples and I reside at the above address.

On or about the twenty fifth of December 1943. I was in the yard at the Municipio, Naples when my brother in law Di Salvatore Giovanni also of Resina, asked Colonel Werner of AMG, in my presance for a permit to purchase eels from Lesina near Foggia. Di Salvatore was told by Colonel Werner that he was not in a position to grant him such a permit and further that it would be inadvisable to go to Lesina without a permit.

On or about the 6th of January 1944, I was again in the yard at the Municipio when Di Salvatore asked me if I would take him in the car No. 315-N, usually driven by me to Lesina for the purpose of purchasing some eels. As Colonel Werner at this time had gone away from Naples for a few days I agreed to take Di Salvatore to Lesina and at about two thirty P.M. of the day in question I left Naples in motor car No. 315-N, for Lesina accompanied by Di Salvatore and another relative Salvatore Sannino, also of Resina.

We travelled directly to Foggia where we arrived at 8 P.M. and stayed at the house of a stranger in Via Antonelli for the night. At 6 A.M. the following morning we continued our journey to Lesina arriving in that town at 9 A.M.

In the fish market at Lesina we together spoke with the Director of the market about the possibility of purchasing eels and he informed me that on account of the bad weather "snow" there were no eels to be purchased. He then advised us to stay at Lesina until the following day but as I was anxious to return to Naples I refused and Di Salvatore and Sannino Salvatore were forced to do likewise. We started on the return journey to Naples about 10 A.M. reaching Foggia at about 1 P.M. The weather and roads were very bad at this time due to a fall of snow and as a result travelling was difficult.

At a restaurant in Foggia the name and address of which I do not know we had a meal which lasted about one hour and at about 2.30 P.M. we continued our journey to Naples where we arrived at 9 P.M. Whilst in the restaurant in Foggia two brothers of the proprietor back with me in my car to Naples. This request

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At a restaurant in Foggia the name and address of which I do not know we had a meal which lasted about one hour and at about 2.30 P.M. we continued our journey to Naples where we arrived at 9 P.M.

Whilst in the restaurant in Foggia two brothers of the proprietor asked me to take them back with me in my car to Naples. This request I refused as I was driving an AMG, motor car. Apart from these two men and the director of the fish market at Lesina neither I nor Di Salvatore or Sannino Salvatore spoke to anyone nor were the latter two men at any time out of my sight.

I have never been to Foggia or that district with anyone to buy a consignment of flour.

This statement has been read over to me and signed by me and it is true to the best of my knowledge and belief.

Signed

Serafino Tranzillo.

The above statement was taken down by Lt. A. Shaw, Naples AMG, on Saturday, the 15 th January, 1944.

U. S. RESTRICTED EQUALS BRITISH RESTRICTED

RESTRICTED

HEADQUARTERS
PENINSULAR BASE SECTION
APO 782

14 January 1944

AG 000.5 BPDCS (14 Jan 44)

Subject: Black Market Operation in P.B.S.

To : See Distribution.

1. It has come to the attention of this Headquarters that "Black Markets" operating on a large scale are flourishing in the city of Naples and surrounding area. It has also been found that the sources of supply of these Black Market stocks are, to a large extent, Allied military supplies.

2. During November and December approximately \$20,000.00 worth of stolen U. S. military supplies, principally food and fuel, were recovered. This is believed to represent only a small part of the military supplies which found their way into Black Market channels. In conjunction with the recovery of these supplies 115 military personnel and 1511 civilians were arrested.

3. You are directed to make every effort to eliminate the theft of military supplies by every means at your command. The following preventive and punitive measures are suggested:

- a. Provide adequate guards consistent with availability of personnel.
- b. Impress on every member of your organization or command the viciousness of the practice of pilfering military supplies and the necessity for stamping it out. The act of pilfering military supplies is considered to be the equivalent of an act of sabotage whether the supplies are pilfered for personal use or for sale to the Black Market.
- c. Insure that offenders are given swift justice in the form of maximum permissible punishment.
- d. Report to the Provost Marshal any evidence of the existence of a Black Market ring.

4. A thorough investigation of each case involving U. S. military personnel will be made. Any evidence revealing laxness or indifference on the part of supervising or commanding officers will be further investigated with a view to disciplinary action against such officers.

By command of Brigadier General PEMCE:

Dist. Ex. Offs

Hq Command

Col. A. B.

L. F. Nickel

L. F. NICKEL
Lt. Col., A.G.D.
Adjutant GeneralDISTRIBUTION:
"A" and "B"

U. S. RESTRICTED EQUALS BRITISH RESTRICTED

RESTRICTED

CONFIDENTIAL

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 512

27 December 1943

SUBJECT: Alleged Fascists

TO : R.C.A.O., Region I

1. Attached is a memorandum received from Colonel Maxwell, MGS, with enclosure relating to certain individuals in the Provinces of Messina and Catania who are alleged to be Fascists.

2. The group mentioned from Messina have been the subject of previous reports. There seems to be sufficient evidence to indicate that despite the opinions of S.C.A.O. Messina and his Executive Officer, the continued association of this group with AMG officers is undesirable. S.C.A.O. should therefore be instructed to eliminate them from any connection official or otherwise with the Military Government. If the allegations of black market activities can be substantiated, prosecution should be instituted. You should also consider whether, on a check of their political records through the SCHIDA'S and otherwise, they should be interned as active or leading Fascists.

3. Will you investigate the individuals named in Catania and take appropriate action. If the allegations with respect to Sig. Paterno are substantiated he should be removed.

4. Please report action taken.

2733

CHARLES M. STOFFORD
Colonel, G.S.C.
D.C.C.A.O., AMG HQ

Encl.

CONFIDENTIAL

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