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# WHAT IS FASCISM AND WHY?

EDITED BY  
TOMASO SILLANI  
(LA RASSEGNA ITALIANA)

NEW YORK: THE MACMILLAN COMPANY

1931.

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# INTRODUCTION

## ITALY AS COLLABORATOR IN WORLD PEACE

This volume demonstrates the tremendous effort which Italy through the work of Fascism, its laws and the institutions created and perfected by it, has made, and continues to make, in all fields of civil activity. Its several chapters, which constitute genuine documents written by men of the greatest authority and responsibility, describe how the Italian State has been legally transformed, what is the nature of its corporative arrangement, on what financial bases the strengthening of the nation proceeds, what are the developments of agriculture, of land reclamation, of industry, of communications in Italy and her colonies, how the regime fights for the solution of the demographic problem and for the betterment of the race, how it works in the field of culture, schools, education of the young, in what way it provides for the development of the Kingdom — in short, it illustrates how imposing is the mass of public works which bear the sign of the fasces and which will be numbered in the future among the most eloquent testimonials of this period of Italian history.

Naturally, of all the undertakings which the Fascist regime fosters, coordinates, and promotes, there are recorded here only those of essential importance and original stamp, to be considered almost as the lineaments of the new Italy. But they are organic and definitive and from them is derived the now evident character of all Fascist policy; the peaceful development of Italy, in open contrast with the biassed legends which depict her as dominated by a dream of dangerous adventures, which even denounce as menaces to world peace the words she pronounces or the steps she takes in behalf of the elementary necessities of her own existence and defence. Truth can be hidden but not suppressed; it is now beginning to appear in full lucidity.

In fact, (among the nations of the world, Italy is the one which, in proportion to her rank as a great Power and her right of equality with the greatest Powers, makes the smallest expenditure for armaments. She has always sought with sincere and dignified consistency, not only to establish peaceful relations with the peoples to whom her own interests are most directly linked, but also to contribute, as will be shown below, to the pacification of Europe, after the tragic events of the Great War.)

How could she act otherwise? When a nation carries out internally the incessant work of which this volume represents the grandiose proportions, and dedicates to that work the greatest part of its financial resources and energies, it can certainly have neither the time nor the material possibility of thinking about preparing or making a chimerical war. (Italy's international relations, as expressed by the organic development of her foreign policy, are thus in perfect harmony with the character and development of her domestic policy.) It is therefore of primary

importance, in presenting this volume to foreigners, that her foreign policy be methodically recorded, so that it may be seen to what extent this runs parallel to the internal policy of peaceful improvement and full development of the soil and national resources, as well as the formation of a pacific spirit in the new generations.

On its advent to power, Fascism found Italy's international position weakened and compromised by the Governments which had preceded it, and European international relations greatly disturbed and menaced by violently conflicting influences in the first uneasy period of the application of the peace treaties.

With unwavering firmness, in the space of a little more than eight years, Fascist policy, dictated by Mussolini, has led Italy from the ruinous state of the post-war period to the overcoming of that diffidence which accompanied it; to the adjustment of the uncertain international relations; to the attainment of prestige, and financial and political autonomy. Consequently Italy, maintaining a position of the first rank among the great Powers, has been able to develop together with them an efficacious pacific policy in the face of the greatest problems of international politics.

Thus having reached an ever-increasing liberty of action, Fascist policy began to take a leading part in solving the grave questions that demanded world settlement in the period following the War. It has been at hand during each of the phases of the long Franco-German controversy; it has shared in the systematization of the financial problems arising out of the peace treaties, and has devoted its own efforts to the policy of peace, participating with a loyal spirit in the meetings at Geneva and in the various disarmament conferences, and giving its own original stamp to the creation of the project of Pan-Europe. By the Lateran Agreements it secured the inestimable gift of religious peace for the Italian people.

Time and again, the various stages through which this policy has passed have revealed the singleness of purpose connecting them and the spirit that inspired the whole – a strong sense of national dignity together with a realistic grasp of facts – a spirit sincerely devoted to that peace which in the world today is the indispensable condition for common salvation and for the conquest of a better future.

The very first years of Fascist foreign policy had been occupied with the liquidation of the past, abstaining meanwhile from any conduct which might have compromised the unstable European order. The aim was to obtain that "certainty" in the political field and that liberty of action which alone could permit the free development of Fascist political autonomy. In short, it was a policy of "basic settlement."

Thus one of the first acts of the Fascist government was that of solving the burning question of Fiume, the complex problem which the preceding Governments had left till then unsolved. Italy, by the accord



reached with Jugoslavia, was able to annex the city of Fiume, while Jugoslavia was assured a secure outlet for her export commerce through the concession of a fifty year lease of one of the principal docks, modernly equipped. The Fiume accord was completed by a pact of Italo-Jugoslav friendship, signed at Rome January 17, 1924. Fascist Italy hoped that this would end the tension of political relations between Italy and Jugoslavia and create between the two countries an atmosphere of reciprocal understanding and peaceful collaboration in the great movements toward peace.

Today, at a distance of seven years from the signing of the Pact of Rome, one is perhaps led to conclude that the generous vision of the Fascist Government has not always found a response or complete understanding on the part of Jugoslavia. It is certain that the authorities of the neighbouring State have shown themselves little disposed to use the port establishments at Fiume, for the dock leased to Jugoslavia has been little or not at all utilized by her trade while, in the political field, the treaty of friendship has not brought all the fruits which could and should be expected from it.

Nevertheless, the agreements signed at Rome January 17, 1924, by settling the territorial question, have ended a dispute which had lasted for more than five years, causing anxiety in all the chancelleries of Europe, and constituted a grave disturbing element in the relations between the two neighbouring countries. The Pact of Rome has thus been one of the most significant acts of Fascist foreign policy and must be considered as a success of essential value for the cause of peace.

Convinced that Adriatic peace was a condition indispensable to European peace, the Fascist government proposed to remove the possibility of disturbance on the Albanian chess-board. Its policy, on an obvious foundation of reason, has thus been directed toward giving internal security to Albania, guaranteeing its government a period of tranquillity and peace, and assisting in the development of its economic resources.

The two Tirana Pacts of 1926 and 1927 have established the basis on which Albania, with Italy's loyal support, is rapidly taking her place among civilized nations. The last Albanian revolution occurred a week before the conclusion of the first Tirana Pact; since its signature, November 22, 1926, Albania has at last experienced that internal harmony which has permitted her to advance toward prosperity. Five years have passed in unbroken calm; and the progress of the country in all fields – economic, cultural, and technical – demonstrates that, thanks to Italian policy, in the place of a former element of European preoccupation, there is now a new element of Adriatic and international peace.

One may say that France has followed a single policy since the Great War – that of attempting to obtain security against the renewal of the German menace through guarantees from the other Powers. Both the

hope of the Rhine frontier and the British-American guarantee promised by Wilson and Lloyd George, having failed, France embarked upon the strong policy of intransigent application of the letter of the Treaties, and decided to occupy German territory. At this stage of the controversy, Europe's desire for peace acquired an importance at least equivalent to the direct interests of the two contendents. Therefore, the right of intervention on the part of the signatories of the Versailles treaty assumed the aspect of a genuine duty from which no Power guaranteeing the peace of Europe could think of withdrawing itself. Britain, now more closely bound to France by virtue of the recent peace, proceeded to occupation in a lesser degree, but in line with the French and Belgians. Italy, less closely bound, was able to strike the happy compromise of being present, as was essential, at an event where the near future of Europe might be settled, while holding in reserve the trump card of her position as a balancing factor; and thus resolved to send a mission of experts, through whom she gave evidence of participation in events, while actually abstaining from military sanction.

The period of sanctions was soon outlived. Economically disadvantageous and politically dangerous, since a progressive isolation was becoming manifest as Britain withdrew her support, and resistance and rancour were being re-kindled in Germany, the policy of sanctions gradually diminished in value until conditions developed which rendered possible an alteration of the course.

Finally convinced that Britain had ended her dispute with Germany and was returning to her traditional policy of maintaining a balance of power on the continent, France was constrained to seek in a new policy of accords that security which was no longer possible through a policy of sanctions. At the same time the possibilities of a direct understanding were facilitated by the almost simultaneous appearance of the Cartel in France and the Labour Party in England, of the parallel development of democratic institutions in Germany and the first approaches between French and German industries of the Rhine and Ruhr.

Germany cordially welcomed this tendency toward a direct understanding, and thus a new phase in Franco-German relations was begun. In this phase, Italy sought to become, as she had planned, one of the essential elements in the eventual Franco-German accord which was to constitute the point of departure for any successive development of European politics. Italy's clear policy had successful issue, and she became one of the guarantors of the Locarno pacts of 1925 and of Thoiry of 1926, with rights and duties equivalent to those of Great Britain. The moral position which she assumed at the side of Great Britain, between the two major European contendents, had a value which surpassed the actual content of the stipulated accords.

The Franco-German understanding did not last as long as was hoped

in the beginning, but Italy's new prestige outlived it and assured her steady ascent from a position little less than humiliating to one of recognized parity, in fact and in right, with the other great Powers.

Through the Locarno pacts Germany obtained admission to the League of Nations and introduced there the anti-Versailles policy which had previously developed outside. Thus was closed the period of exclusion of this great nation from international society. Italy now proposed two objectives: a better regulation of reparations, with their annulment as the ultimate ideal; and the gradual disarmament of the Allies, as provided in the Covenant of the League. At the same time, the gradual receding of the war years, the hard experience and disappointments resulting from the frequent change of political methods and ideals, the diffusion of a sense of solidarity among peoples interested in attaining a balance indispensable to economic recovery and political and social security – to the very conservation of western civilization itself – all contributed to direct international political forces toward the same problems with which the new German policy was concerned. Thus the whole recent phase of international politics has hinged on a double aspect of the problem of reconstruction: the settlement of international financial relations, and the realization of disarmament.

In the recent period of international politics, Italy has had the merit of formulating the solution of problems which time and necessity have finally led all the Powers to accept: for problems of a financial nature, the connexion between debts and reparations, with the tendency toward the progressive reduction of all burdens; and for the political problems, disarmament accepted as the basis for the attainment of security, in contrast with the current conception which, subordinating disarmament to security obtained by means of the guarantees of conventions, creates the vicious circle of so-called pacific measures which arouse distrust and rancour and necessitate an increase rather than a reduction of armaments.

Italy's policy has therefore been preeminent in the last years, which have successively brought about the Dawes Plan, the adjustment of separate war debts, the Young Plan and the creation of the Bank of International Settlements; and, in the political field, the signing of the Kellogg Pact, the agreements between Italy and the Vatican, the London Conference for naval disarmament, the project of Pan-Europe and, finally, the Franco-Italian naval accord of 1931.

While Italy saw her thesis gradually predominate in the development of each international problem, she was evolving at the same time her own particular policy of peace and concluding treaties of friendship and collaboration with other States, more actively than any other European nation. Among these treaties, of special importance is that with Soviet

Russia, marking the first real recognition of that new political force (1), to which it extends the invitation of collaboration which may have incalculable effects in the future; and the treaty with Turkey and Greece in 1928, clearing the horizon at a time when an ancient and dangerous rivalry seemed to be reviving in the Mediterranean. By virtue of Italy's timely intervention, a dissension which threatened grave repercussions in the Balkans and the Near East was replaced by a political and economic collaboration which benefitted all Europe.

International financial policy hinges on two associated questions: the systematization of international debts, and the settlement of reparations due to the Allies. After the indecisive period of sanctions following the treaties of peace, the first step toward the settlement of financial problems was made by the adoption of the Dawes Plan which, although it left undecided the amount and duration of payments, had the merit of a first definition of terms and a determination of sanctions in a manner more favourable to Germany.

In this first period, Italy had already offered to the cause of European peace the greater part of her financial benefits derived from the treaties, by conceding a moratorium to her principal debtors – Austria, Hungary and Bulgaria. In regard to Austria, above all, the Italian sacrifice had been heavy, considering that it was precisely on the Austrian debt that the greater proportion of Italy's quota of reparations was based.

In practice, the Dawes Plan functioned satisfactorily for a period of four years, permitting the gradual establishment in Europe of new economic and political conditions which were instrumental in further lightening international financial encumbrances. In addition, the accords between the three Western Powers and America, and between Italy, France and Britain themselves, greatly reducing the debts and scaling them over a long period of years, thus making possible an eventual parallel reduction of the German debts; the increasing recognition on the part of the victors that the transfer of riches constitutes for the creditor, if not a danger, at least an economic benefit small in comparison with what had been expected; the removal from the spirit of war, and the prevailing conviction of the absolute necessity for a reconstructive peace that would benefit all, prepared the ground for a reconsideration of the financial obligations resulting from the war.

The Conference of the Hague assembled in the summer of 1929 for the purpose of adopting a settlement of reparations which could be substituted for the Dawes Plan. Inspired as it was by the concept of further reduction of transfers under the title of reparations, and of a precise definition of the terms and quotas, its conclusions marked a decisive Ital-

(1) The British treaty, although preceding Italy's by a week, was [a bare recognition without concrete content – a mere affirmation of a principle of the Labour Cabinet on its coming to power.

ian diplomatic success – a tactical success in the negotiations, and a final political success in so far as the Young Plan accepted the old Italian thesis, “Mussolini’s true prophetic foresight” of the relationship between debts and reparations. In the Young Plan, in fact, a clear distinction is made between the sums due from Germany as reimbursement for war debts and those due as actual reparations. Thus these latter will no longer be due in the last twenty-two years of the duration of the pact, while the former will continue until the inter-allied debts are extinguished.

The creation of the Bank of International Settlements, provided for by the Hague accords of 1930 in which the Young Plan was adopted, made a visible connection between financial policy and the general question of world peace, thus giving evidence of the unification of all tendencies directed toward the political and financial reconstruction of Europe.

To the policy of disarmament, which in recent years had become the backbone of international politics, Italy has given her fullest cooperation, anticipating events in her characteristic manner of considering problems. While in the rest of Europe there still prevailed the severity of the first narrow interpretation of the treaties, Italy adopted the policy of friendly collaboration with her enemies of the war, concluded accords with Hungary, brought military control in Austria and Hungary to an end, sacrificed all or almost all of the sum due to her, in order to reach the international agreement of the Hague in 1929, and was the first to disseminate, through the words of the Head of the Government, the idea that it would be of universal benefit to re-examine the onerous conditions dictated by the spirit of war and incorporated in the Treaties of 1919.

As in the financial field, with her principles of the interdependence of debts and reparations and of the necessity of proceeding toward the ideal annulment of financial claims which tend to perpetuate the dangers of war, so in the parallel field of disarmament, Italy’s principles have been affirmed in the progressive development of international policy. The Italian thesis of the relativity and interdependence of armaments, and the principle she constantly kept in mind of reduction and not mere limitation, have now orientated the policy of all States in the most recent phase of the disarmament problem.

Even before the London Conference of 1930, Italy had proclaimed the essential lines of her policy of peace, in the formula of Mussolini: “Any level of armament, even the lowest, as long as it be unsurpassed by any other continental nation.” In London this thesis was made more precise by the proposals for the abolition of capital ships, the eventual correlative abolition of submarines, and for a naval holiday until 1936 in the construction of large ships permitted by the Washington treaty. And it was due to Italian diplomatic initiative, which did not abate its efforts during the course of the year 1930, no less than to the increasing

prevalence of a pacific spirit in French and English policies, that at the beginning of 1931 it was possible to hasten the settlement of the dead issues of London, and to conclude the Franco-Italian agreement on naval disarmament. This perfected the Five Power Agreement of London, and indirectly extended to all seas its pacific influence; it cleared the political horizon as perhaps no other international pact could have cleared it, laid the foundation of the Disarmament Conference of 1932, and – last but not least – it lightened military budgets by curtailing the expenditures already planned, and by avoiding the even greater expenditures which would probably have resulted from a race of armaments. And it did this at a moment especially difficult for the various State budgets.

Along with its policy of disarmament, the Fascist government has been constantly working for peace in other fields; in 1928 it was among the first to sign the Kellogg pact with its undertaking not to have recourse to war; in 1929 it concluded the Lateran Agreements; in 1930 it took a very active part in the negotiations for the project of Pan-Europe; and at the opening of the year 1931, from the lips of the Head of the Government its great desire for peace was proclaimed in a message to the American people.

In the Lateran Agreements of 1929, one of the oldest and most thorny political questions, held to be insoluble, which had disturbed both the field of international relations and the internal harmony of the Italian people, was definitely solved by means of a pact that is one of the greatest demonstrations of the spirit of peace in the history of the world.

The following year, in the course of the negotiations for the project of Pan-Europe, the Fascist Government, represented by its youthful Minister of Foreign Affairs, Signor Grandi, succeeded in directing a strong current towards the broadest possible interpretation of the right to membership in the new Pan-European organism, in such a way as to include Soviet Russia and Turkey, and towards their admission to the League of Nations. With these two proposals, the misgivings roused at the appearance of the project were removed, and all forces tending to the peace of nations were unified in one direction.

A year later, almost as an announcement of the forthcoming completion of the Naval Agreement, in his message to the American people Mussolini expressed the feeling of satisfaction with which Italy regarded the wise use she had made of her prestige in the interests of international peace, and proclaimed, in a clear and loyal voice, her desire to continue steadfastly in that path.

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# WHAT IS FASCISM AND WHY?

## THE TRANSFORMATION OF THE STATE

by ALFREDO ROCCO, *Minister of Justice.*

The imposing achievements of the Fascist Revolution, which has established a new legal and moral order in every field of Italian life, have as their central and fundamental point the transformation of the State. This transformation has taken place gradually, but continuously, since the day of the march on Rome. But two phases, divided by an historic date, can be distinguished.

From the day on which Fascism took over the Government, a series of vast and radical reforms began. Especially memorable among the changes effected in the first period was the great educational reform which laid the foundations of a system of schools for the education not only of the intellect, but also of the character, schools which by their national spirit should form the modern Italian. (The financial reforms were very important also, for they contributed to the financial readjustment of the State and made possible the balancing of the budget.)— an indispensable condition for the reconstruction of Italian finance and economy. Besides, there was also a reform in the organization of the bureaucracy, which brought back order and discipline into a sphere long a prey to the confusion and mismanagement of the demagogy. In the administration of justice vast and substantial reforms were made, principal among which were the revision of judicial districts, and the unification of the Court of Cassation; these changes had long been desired but had never been made, because of the invincible opposition of regional interests which the old parliamentary regime had never been able to overcome.

These reforms, the great importance of which must be emphasized, have already been tested by the experience of recent years, which has revealed their soundness, though, of course, some modification in detail has since become necessary to correct particular errors, inevitable in such a colossal work. The Government at once availed itself of long studies and legislative work that had already been going on for decades, and put them into practice, thus demonstrating the active strength of Fascism, which accomplished more in a few months than the preceding Governments had been able to carry out in the course of long years. The reforms had some rather important political aspects, but on the whole they were of a technical character. There was no real political reform of legislation in this first period, which was of necessity one of transition and of sound preparation for the work which was to follow.

In reality a vast legislative reform in the constitutional and political field, in order to be solid and effective, had to be preceded by a profound transformation of the public spirit. The enormous driving force of Fascism acted rapidly on the mind of the Italians, and in a brief time re-

novated the public life of the nation. Then came the moment for Fascism to govern alone. The Head of the Government, with the infallible intuition which assists him in times of crisis, had the clearest understanding of this, and his memorable discourse of January 3, 1925, opened the second phase of the Revolution. Every trace of collaboration with other parties was eliminated. The remains of the old political system disappeared, and Fascism alone dominated the State. Public spirit had been matured by the complete abandonment of antiquated judicial and political forms which had already proved themselves behind the times. Then began the constitutional reform, which was to give a new structure to the Italian State.

On the ruins of the liberal democratic State arose the Fascist State, whose edifice, strong and well built, was rapidly completed.

In its spirit as in its exterior form, the Fascist State is the exact opposite of the liberal-democratic State, which had brought the Italian nation to the verge of ruin. It is solidly rooted in the theories of Fascism which the Revolution has thoroughly realized with inflexible consistency. The creation of a State of truly sovereign authority, which dominates all the forces in the country, and which at the same time is in constant contact with the masses, guiding their sentiments, educating them and looking after their interests: this is the political conception of Fascism.

This conception is the very antithesis of democratic and liberal ideas, which are all derived from the doctrines of an exotic philosophy, individualistic doctrines, which regarded the individual as the ultimate end of society, and society simply as the aggregate of the individuals of a given generation, without any aims of its own but those of the individuals which compose it. Thus the State could have no other essential function save that of coordinating the will of its members so as to prevent the liberty of one from encroaching upon that of another. This lack of an entity, an ideal, a will of its own, was therefore the characteristic of the liberal and negative State, which was thus incapable of controlling the real forces existing in the nation; these forces therefore organized themselves, lived and prospered outside the State, and ended by mastering it.

The State, in fact, having no character of its own, had to await the impression of exterior forces, all of which had the right to stamp it with their own spirit and their own will. The result was paralysis of the State, and the familiar inconsistency in which its daily activity operated because, by virtue of the fact that it lacked its own ideal and program and was therefore compelled to borrow those of its components, the State was always faced with the contradiction of opposing doctrines which rendered it incoherent.

The triumph of this liberal-democratic conception was to have much more serious consequences in Italy than in other countries. The existence of the liberal-democratic State, which is in itself a fragile structure, is bound up with conditions which are lacking in our country.

Outside Italy, and especially in Anglo-Saxon countries, the liberal-democratic State has been able to flourish and to achieve great results, because in the social and political conditions of those peoples it found correctives which we do not have. In the Anglo-Saxon countries, and also in France, there is a great national tradition, and the idea of the State has been fortified by centuries of struggle maintained by the State to affirm its own supremacy. Besides, in England the individualistic and disintegratory spirit of Germanism is counteracted by a rigorous moral education, so that the individual, while theoretically maintaining perfect liberty in the face of the State, knows of himself how to keep it within limits. All these conditions are lacking in Italy. The old Roman tradition, splendidly renovated by the Catholic Church, was certainly inspired originally by discipline, by the subordination of single individuals to the State: but it was a tradition now distant, profoundly modified by the disintegrating influences of Germanism, medieval anarchy, and foreign rule; this latter, above all, made the State appear for centuries as the instrument of foreign oppression, and in the mass of the Italians gave rise to a profound spirit of distrust and of revolt against public authority. This spirit ought to have been transformed by a steady political education and discipline on the part of the State. But the liberal-democratic State was incapable, spiritually and materially, of carrying out this task which should have been its first and most urgent duty.\_\_\_\_\_

Thus it happened that even after unity and independence were established, the Italian masses preserved towards the national State the same distrustful and hostile attitude which they had for centuries maintained towards the foreign State. In these circumstances, the liberal State in Italy could maintain its position only with difficulty, and its weakness increased in proportion as the development of national life led to the organization of new forces in the country. The innate qualities of the race and the military organization of the nation in arms saved the State during the War, but the great disturbance which followed the war found the State still weaker, and more than ever negative and lacking in energy. Undermined in every direction, the liberal State could not, and did not, hold out any longer, with the result that after the War came a period of total anarchy, in which the State became the shadow of itself and had to look on passively at the outbreak of the civil strife which it was powerless to restrain or to overcome.

The painful period of anarchy was arrested by the coming of Fascism, which, by restoring order and discipline to the country, was obliged to bring about the transformation of the State in accordance with its own fundamental doctrine, which is eminently social and therefore clearly anti-individualistic. Fascism has indeed an organic and historical theory of society, opposed to the traditional conception – atomistic and materialistic as it is – of liberalism. Society must be considered as an imperishable organism where life extends beyond that of the individuals who

are its transitory elements. These are born, grow up, die, and are substituted by others, while the social unit always retains its identity and its patrimony of ideas and sentiments, which each generation receives from the past and transmits to the future. According to the Fascist conception, therefore, the individual cannot be considered as the ultimate end of society. Society has its own purposes of preservation, expansion and perfection, and these are distinct from the purposes of the individuals who at any one moment compose it. In the carrying out of its own proper ends, society must make use of individuals. This entirely reverses the expressive formula of Emmanuel Kant, "the individual is the end and cannot be considered as the means to the end." The State, however, which is the legal organization of society, is for Fascism an organism distinct from the citizens who at any given time form part of it; it has its own life and its own superior ends, to which the ends of the individual must be subordinated.

The Fascist State is, therefore, the State which develops the legal organization of society to the fullest degree of its power and cohesion. It is not negative, like the liberal State, but in every field of collective life it has its own mission to fulfil, and a will of its own.

The Fascist State has its morality, its religion, its political mission in the world, its judicial function and, finally, its economic duty. Therefore the Fascist State must defend morality and instil it in the people; it cannot ignore the religious problem, but must profess and protect the religion which it considers true, that is to say the Catholic religion; it must fulfil in the world the civilizing mission entrusted to peoples of great culture and great traditions, and thus it must interest itself in political, economic and intellectual expansion beyond its own boundaries; it must mete out justice among the different classes and prevent the unrestrained self-defence of one class against another; finally, it must labour to increase production and wealth, using the powerful stimulus of individual interest, and also interfering, when necessary, with its own powers of initiative.

And since the State must realize its own ends, which are superior to those of the individual, it must also have superior and more powerful resources. The force of the State must exceed every other force; that is to say, the State must be absolutely sovereign and must dominate all the existing forces in the country, coordinate them, solidify them, and direct them towards the higher ends of national life. This conception of the State has been completely realized in every act of Fascist legislation. But the fundamental laws which have directly brought about the transformation of the State may be reduced to a small number. The real Constitutional reform began with the law of December, 24, 1925, no. 2263, on the attributes and prerogatives of the Head of the Government, who is both Prime Minister and Secretary of State; this was followed by the law of January 31, 1926, no. 100, concerning the right of the executive

power to issue judicial regulations, and by the law of April 3, 1926, no. 563, on the judicial regulations which govern the relationship of the various workers' corporations, a law which was completed by the Regulations for its application, issued by the Royal Decree of July 1, 1926, no. 1130, and by another document, which, though not strictly legislative, is of great political importance, namely the Charter of Labour of April 21, 1927; the reform closes with the law of September 2, 1928, no. 1993, on parliamentary representation, and with the law of December 9, 1928, no. 2693, on the organization of the Grand Council.

The first two laws have reinforced and rendered preeminent the executive power, which is at once the most genuine expression of the State, and the essential and supreme organ of its action.

The decadence of the State, especially in Italy, became apparent in the exaggerated growth of the powers of the elective Chamber, to the detriment of the executive power.

The unrestrained parliamentary regime of the last ten years of our political history was absolutely unknown to the original Constitution (Lo Statuto) of the Kingdom, which established a simple Constitutional regime, in which the principal functions of sovereignty pertained to the executive power and to the King, its Supreme Head, while to the Parliament was reserved the secondary function of collaboration and of cabinet control.

But Constitutional practice through long years had modified the Constitution, always granting more power to Parliament and thus to the elective Chamber. As long as there was a majority, relatively homogeneous, in the elective Chamber, this system might work well or badly. But when by the imprudent introduction of proportional representation into the electoral system, no party had any longer a majority, the crisis became irremediable. The Chamber having become a collection of minorities, the Cabinet also had to become a coalition of minorities, in which every party was represented. The conception of Government as an organic and solid unit under one Head was entirely lost, since each Minister took the road which his ideas and the orders of his party suggested to him. This was to lead inevitably to the complete paralysis of governmental functions.

The unity of the Government has been reconstituted on a different basis by Fascism, and rendered much more effective and complete.

According to ancient Constitutional practice, Cabinet Government was generally understood to imply not true unity of action and of policy, but rather a total solidarity among the Ministers, so that each one was responsible for all the acts of the others. In this way the unity of the Cabinet was a cause of weakness rather than of strength, because it served to multiply the vulnerable points, and thus make the Ministries more turbulent and ephemeral. Under the Fascist Government, the Cabinet at once acquired a true unity of policy and of action, rigorously maintained

by the Head of the Government. The old idea of solidarity is abandoned because it assumes diversity in action, and therefore has no longer any reason to exist when there is only one policy, that is to say, when action is unified. Technical matters alone remain outside the unity, for in this sphere individual work may be carried on by the various Ministers.

The constitutional function of the Prime Minister, who is the true Head of the Government, thus assumes special importance. No trace is left of those water-tight compartments characteristic of the parliamentary regime, in which each Minister, as the representative of one special force, one group with particular economic and political interests, tried to further his own policy. At the head of the Government, to direct the general policy of the State, there must be a single person, not the Council of Ministers, which of course remains a consulting organ of the highest importance, but which from its collegiate nature cannot be the effective director of the political life of the country.

The law of which we are speaking frees the Government from dependence on Parliament. Parliamentary Government arose when suffrage was restricted and the forces of the State were practically in the hands of some minorities of the intellectual bourgeoisie. These minorities, which held the vote and governed, constituted the only efficient force in the country, because social life was very simple, the conflicting interests between class and class were few, and the masses, not being politically minded, held aloof. Things changed when the masses entered into political life for the guardianship of their economic interests. The lower Chamber, elected by universal suffrage, became simply a numerical representation of the electors, and could no longer be the exact expression of the political forces existing in the country, nor could it be an accurate reflection of the true state of the nation. There are, in fact, other living and active forces not represented, or represented inadequately in Parliament, because their qualitative value does not correspond to the number of the votes at their command. The estimate and the interpretation of all real forces in the country is a very complex task, and is so far from being indicated by an enumeration of votes, that it can only be made by one who is above all the conflicting forces, and is, therefore, more than anyone else in a position to give each its true value. Italy has the great good fortune to be guided by a Sovereign, who belongs to a glorious dynasty which has had a thousand years of political experience. It is, then, only the Sovereign who can be the judge and arbiter of the situation at critical moments in the national life.

The Government being freed from its dependence on Parliament, a return has been made to the principle of the Constitution that government emanates from the Royal power and not from Parliament, and Ministers must enjoy the confidence of the King, the faithful interpreter of the needs of the nation. In a period when the life of a great people has become highly complex, it is no longer possible to give to the elected re-

representatives the chief power in the government of the country. Political representation is the representation of the interests of individuals and of groups. If the organ of such interests acquires preeminence in the exercise of sovereign power and dominates the executive power, the traditional and permanent interests of society are lost sight of in the interests of individuals, groups, and classes; thus the sovereignty of the State is reduced to a shadow.

The law concerning the right of the executive power to issue judicial regulations determines the limits between the legislative activities of Parliament and those of the executive power. The tendency to restrict the action of the executive power was a characteristic of the years before the advent of Fascism. It may have been because of the encroachments of Parliament, it may have been for other reasons, but the fact remains that the true field of legislation was extended beyond every reasonable limit, while at the same time there was a reduction of the regulating power belonging to the Government. A strange result was thus reached: while the rapid economic and social transformations of modern times necessitated a continuous evolution in the activity of the Government, and required its action to be more watchful and effective, the liberty of the executive power became more and more restricted. It was thus necessary to restore the exercise of the regulating power to its original sphere, to allow the Government the exercise of its activity in its own ample field. At the same time, the law filled up a gap in the Constitution which was made for a small State at a time when economic and social evolution was slow, and now gives the Government the right, in some cases, to exercise legislative power, even in the field normally reserved to Parliament.

Thus the Government was recognized as an organ of the State, not only preeminent, but also permanent, and has the power to secure the continuity of the State's existence at the most critical moments in the national life.

The preeminence of the executive power, clearly affirmed by the two laws mentioned, has since been completed by a series of minor reforms, as, for example, those on the functions of the Prefects and on the duties of the Podestàs, and so the authority of the executive power, by means of its own agents is forcefully radiated from the centre to the circumference, thus dominating, as it should, the life of the Provinces and of the Communes, where in the past only local ambitions held sway.

The reorganization of the executive power in its form, faculties, and relations with the legislative power, was followed by the reorganization of Parliament.

While combating parliamentary and electoral degeneracy, and insisting on a strong State, Fascism has never failed to recognize the usefulness of parliamentary collaboration. We hold that Parliament can no longer be the only means by which the Government places itself in contact with the masses, becomes acquainted with their sentiments, and influences their

minds. We reject, therefore, the conception of a parliamentary Government, and the omnipotence of Parliament. However there is no doubt that among the various Constitutional organs of the State there should be a place for an assembly composed of men who, by virtue of their origin and the manner of their selection are both interpreters of the ideas dominating the various social groups, and agents conscious of the great interest of the nation.

It is clear, however, that in the political system created by Fascism the electoral system of the democratic-liberal regime could not be maintained.

The Fascist doctrine denies the dogma of popular sovereignty which, on one hand made the Chamber the only seat of sovereign power, and therefore the chief organ of the State, and on the other surrendered the election of the deputies to the caprice of the masses.

The masses cannot themselves have a spontaneous will, still less can they spontaneously proceed to the choice of deputies.

By a fundamental law of social life, which Maine calls the law of "imitation", the mass of men tend to follow the will of some dominating element, some so-called "guiding spirits." The problem of Government will never be solved by trusting in this illusive will of the masses, but must be solved by a careful selection of the "guiding spirits." If a good system of selection is not organized, circumstances often place the least worthy in authority over the masses. When the choice of the candidates and of the representatives is placed completely in the hands of the electoral body, it means that the choice is in reality abandoned to the management of a few intriguers, self-delegated to be the guides and spiritual teachers of the masses.

Neither did matters improve when the nomination of candidates was entrusted to the old parties. That duty was actually assumed by the parties most lacking in scruple, least solicitous of the national interest, most hostile to the State. The dogma of popular sovereignty in electoral matters ended thus by resolving itself into the dogma of the sovereignty of small minorities composed of intriguers and demagogues.

The old electoral systems, moreover, failed to recognize the facts of social life, in which individuals, taken separately, are of negligible value. Society is not a mere aggregate of individuals; it is the complex of groups interwoven and coexisting organically. These minor organisms characterize the national life, in which the individual is formed, and in which he finds the basis for his spiritual life.

According to the Fascist doctrine which maintains the sovereignty of the State, in contrast with the doctrine of popular sovereignty, Parliament and consequently, the deputies who compose it, are among the fundamental agents of the State. Their selection must be regulated in the best way, so that the ends of the institution may be reached. And since the Chamber of Deputies has for its first task that of collaborating with the Gov-



ernment in framing the laws, by interpreting the needs and the sentiments of the various social groups, and harmonizing them with the historical and imminent needs of the nation, it is clear that a good electoral system must depend, above all, on the support of the organized forces of the country, and must then guarantee that the men selected for the Chamber have full knowledge of the national interests, — that is to say, they must be political men in the highest sense of the word.

The problem of the political representation of the nation had to be solved on these bases; and the solution of this problem was, in a manner quite original and true to the Fascist conception of the State, closely related to the new organization given to Italian society by the law concerning the judicial regulation of labor problems.

This law, completed by the regulations for its application and followed by the Charter of Labour, has enormous social and political importance, and is perhaps among those which have contributed most to give its outward aspect to the Fascist State, and a concrete social significance to its policy.

The high social aim of the syndicalist reform does not need to be illustrated. It has solved, completely and simply, the gravest problem of our times — a problem which has troubled humanity for more than a century. Not only the question of how classes might live peacefully together and by what legal means the inevitable conflicts between them might be settled, but also the problem of the better organization of production and the better distribution of wealth, have been solved by this reform. Unlike the old organizations which arose outside the State and lived outside it, our new syndicates form part of the State, and are for the State elements of force and of prestige. But, besides all this, the syndical and corporative organization of the nation has given a new order to Italian society, which is no longer based on the individualistic atomism of the French Revolution philosophy, but on a truly organic conception of society, which cannot ignore the qualitative differences existing among its component parts. Italian society is, in fact, reorganized on a professional basis, that is to say, on the basis of the productive function exercised by each individual.

This organization of society has made it possible to attain the political representation of the nation by a new method. Electoral provinces were abolished, a single national electoral college was constituted, the number of the deputies was reduced, and the proposal of candidates was confided to the syndicalist organizations legally recognized, and also to other permanent organizations for the promotion of culture, education and public welfare. An accurate selection of the proposed candidates finally made by the Grand Council, the supreme organ which synthesizes all the institutions of the Regime, assures the choice of those most fit to exercise in Parliament their function of legislative collaboration and guardianship of the general interests of the nation. The unanimous votes of

the people at the elections under the new system, shows how this is in harmony with the renewed conscience of the Italian people. The elective Chamber of the Fascist Regime is no longer the liberal-democratic Chamber which was the expression of the unformed will of the amorphous and indifferent masses; it is a Chamber created by organized votes, and is close to the spirit of the people, — an active and conscious instrument of the national fortunes.

The Constitutional reform has thus completely transformed the traditional and fundamental organs of the State. But other essential organs, each having a characteristic aspect of its own, have been inserted in our constitution. These new organisms do not find any parallels in the old State organization, because their delicate function was unknown to the liberal-democratic State, and is in absolute contrast with the very conception of the liberal State.

The Fascist State has vast tasks, in fact, which the liberal doctrine held to be foreign to the State. The Fascist doctrine rejects the conception of the negative State, which has no substance and no ends of its own, and is alien to the life of the individuals. Unlike the liberal-democratic State, the Fascist State can never consent that social forces should be left to themselves. Fascism has understood that the masses, which have remained for so long alien and hostile to the State, must be brought near, and incorporated in the State, which performs its own function and its own mission in every field of social life, directing, encouraging and harmonizing all the forces of the nation. This coordination raises the national energies to their highest potentiality, directing them effectively to secure their own ends, in the interests of national prosperity.

Thus the Fascist State is certainly an authoritative State, but it is also a popular State, such as no other has ever been. It is not a democratic State, in the old sense of the word, because it does not give the sovereignty to the people, but it is a State eminently democratic in the sense that it is in close touch with the people, is in constant contact with them, penetrating the masses in a thousand ways, guiding them spiritually, realizing their needs, living their life, and coordinating their activities.

One of the most original features of Fascism is the number of institutions which bring the State into contact with the spirit of the people. I have already mentioned the syndicalist reform. Unlike the old organizations which arose and existed outside the State, our syndicates form part of the State. The syndicalist phenomenon is an undeniable feature of modern life. The State cannot ignore it, but must regulate it in a spirit of absolute impartiality. The organized masses have thus entered the State no longer tumultuous and discontented, but happy and calm. The old struggle of classes — the curse of the nation — has been substituted by harmonious collaboration among the various parts of the engine of production. The corporative syndicalist reform has thus solved the problem of how to organize the productive forces, and of how to unify

and coordinate the economic forces; this coordination has for its supreme organ the National Council of Corporations which synthesizes all the productive activities of the nation.

But it is not only in the economic field that this State action operates. According to Fascism's all-embracing ideal, the State must preside over and direct national activity in every field. No organization, whether political, moral, or economic, can remain outside the State. Fascism, therefore, is near the people; it has educated them politically and morally, and has organized them, not only from the professional and economic point of view, but also from the military, cultural, educational and recreative point of view.

There has thus been created a series of institutions by which the life of Fascism is more and more identified with the life of the people. The fundamental institution of the Regime is the party, an organization eminently political, which directs and stimulates every other activity. The party lives the life of the people, interprets their sentiments, supports them in difficulties, forms their civil conscience. It continually intervenes to lend its disinterested aid: when some national problem presents itself, the Fascist party is at its post, ready to guide and enlighten the Italian people.

The military organization of the people is the militia, the purest expression of the revolution, which constitutes, after the party, the most active channel of communication between the people and the State.

From the operation of the Fascist organization have sprung the young people's organization, "the Balilla," the recreational organization, the "after-work" association, the organizations for sport, the women's organizations. No aspect of the national life escapes this wise discipline; so it may be said that all the Italians participate actively in the national life. More than ten millions of Italians are regularly inscribed in these different institutions; all are animated by one faith in the greatness of the nation, and cooperate in securing the prosperity of the renewed Italy.

The numerous institutions created by the Fascist movement are not outside the State, which, in conformity with its unifying function, has gradually brought them into line. The Fascist Regime is thus identified with the State.

But this new and wider order of the State made necessary a supreme organ in which all the organized forces and all the institutions of the Regime should be brought into contact, thus creating a synthesis which should provide both discipline and coordination of effort.

This organ of coordination and of integration existed already in practice. It was one of the great institutions which arose, as a result of the Revolution of 1922, in the heart of the Fascist Party. All these institutions, created to uphold the State, have been little by little incorporated in the State. Then it was necessary that also the supreme organ which

formed a bond between the State and the masses should enter it and become part of the State. The Grand Council of Fascism has thus become, by the law of December 9, 1928, no 2693, one of the fundamental organs of the State, the supreme regulator of all the activities of the Regime. Presided over by the Head of the Government, composed of the representatives of the principal organizations of the Regime, the Grand Council interprets the spirit of the masses towards the Government and receives from the Government direction for carrying out the work of material and moral advancement.

The Grand Council has thus assumed an eminent position among the constitutional organs of the State, but one which is quite distinct from that of the Government and of the Parliament. It is an organ eminently political; it collaborates with the Government, and has the delicate function of an adviser in constitutional and political questions, but it does not encroach upon the sphere of the Government nor on that of Parliament. To this latter belong in full the functions of legislation and inspection as established by the Constitution. The Government, to which the Grand Council lends its collaboration, is always the driving force of political action, which through the Grand Council is radiated to the Nation.

The character of the Grand Council was more clearly defined by the law of December 14, 1929, no. 2099. This law, by reducing the members to the most important representatives of the military and economic groups of the Regime, made the Grand Council a fitter organ for its high political functions. Thus was clearly established the coordination between the duties of the Grand Council itself and those of other important organizations, like and the National Council of Corporations, the Supreme Commission of Defence, the Superior Council of National Education. Each of these latter exercises its own co-ordinating function, in a given sphere, limited to economic, military or cultural matters, as the case may be.

As the Grand Council of Fascism became an organ of the State, the national Fascist Party, which gave rise to all the institutions afterwards absorbed by the State, also became a part of the State. This occurred gradually, and the law of December 14, 1929, marked the last stage of the process.

The Constitution of the party is approved by Royal Decree. The secretary of the party is also nominated by Royal Decree, on the proposal of the Head of the Government, and has by right a place in the Grand Council (of which he is secretary), in the Supreme Commission of Defence, in the Superior Council of National Education, in the National Council of Corporations, and in the Central Corporative Committee. He may, besides this, be called upon to take part in the sittings of the Cabinet. The members of the National Directorate and the federal secretaries of the party are, lastly, nominated by a decree of the Head of the Government.

Thus the inclusion of the party in the State becomes complete. And this is strictly in conformity with the co-ordinating doctrine of Fascism, in

contrast with old liberal-democratic idea. The parties of the old Regime were private organizations, outside the State, struggling amongst themselves for the mastery of the State. And this was inevitable as long as the State, being purely negative, was obliged to receive its content from the various parties which succeeded one another in the Government. But the Fascist State is well defined in character and content; it has its personality, its political ideal to realize, and cannot accept ideals from organizations outside the State, such as the parties in the old regime. In the Fascist State there is then no place for political parties of the old stamp.

The Fascist Party, in truth, is not a party in the liberal-democratic sense of the word. It arose as a private organization which has created the present State. But after constituting the new State, the party, while still keeping its glorious name, has gradually transformed itself from a private organization into a great political institution. By virtue of its work of propaganda, of educating the Italian people politically and socially, the Fascist party constitutes a kind of civil militia, the essential instrument of the Regime, and thus it had to find a place within the State, while retaining the necessary liberty of action for the performance of its functions.

Thus appears in its fullness the synthesizing character of the Fascist State, which is an integral organization of all the forces existing in the country, and fully realizes the formula of Mussolini: "Nothing outside the State, nothing against the State."

The Fascist State, that granite block in which are fused all the energies and resources of our people, is therefore a State of authority and of strength, while yet it is in close connection with the masses, and so it is a true regime of the people.

The necessity for political organization and that of the harmonious development of the human personality, once regarded as being fatally in contrast with each other, are reconciled by the new State; though in the State the individual may have a subordinate social position, this very subordination secures development and prosperity for the individual in a way only possible under the guardianship of a vigorous and well organized State. Two phenomena, which the liberal doctrine erroneously considered separate and antagonistic, are reconciled. The well-being of the individual is a condition of the development and prosperity of society as a whole, but at the same time it depends on the solid organization of the State.

The admirable achievements of the Fascist State attest its authority and its strength.

The Fascist State has restored peace and order to the Italian people, has revived their confidence and has raised their prestige in the eyes of the world. Economic life goes on steadily, without that waste of resources which morbid unrest and strife between social classes brings about. Work in fields and factories is not disturbed by the old conflicts between

capital and labour, which cooperate harmoniously for the improvement and increase of production.

The last trace of political disorder having been suppressed, public administration re-established, the financial situation stabilized, the problem of the currency solved, and the inevitable economic crisis dealt with, the Fascist State is proceeding resolutely on its way, backed by the eager consent of the Italian people, in the useful works of peace. The impetus given to the cultivation of wheat, which is liberating the country from its heavy tribute to foreign lands, the colossal public works which have now given beauty and value to many parts of the country, the reclaiming of land which offers new fields to the efforts of our agriculturists, are so many new stages in the advancement of our country.

No problem is neglected. Always and everywhere the Fascist State steps in with effective action, whether it be to protect infant life, to defend the family, to increase population, or to extend its jealous care to maintaining the moral and physical integrity of our race.

The State has restored religious peace, and eliminated the discord which had tormented the conscience of the Italians ever since the days of the "Risorgimento" by the solution of the Roman Question and the Concordat with the Holy See. This Concordat has established new relations between Church and State and it has been followed by a general reform of ecclesiastical legislation.

In the Fascist State cultural problems are of the first importance. Besides the schools, now completely remodelled, there have arisen institutions and associations of high culture, such as the Academy of Italy, the National Committee of Research, the National Committee of Historical Science, the Fascist Institute of Culture, and the Italian Universities for Foreigners.

In its international relations the Fascist State, while avoiding merely verbal internationalism, is always to the fore whenever there is practical work to be done to promote the collaboration of peoples. The International Institute for the unification of the laws of private property, the one for the Educational Cinema, and the Italian Commission of Intellectual Cooperation are clear examples of the effective participation of our country in international affairs.

The reform of the State and the renewal of national life having been achieved, Fascism proceeded to the reform of the law. New criminal codes and new codes of criminal procedure have already been published, and will be put into operation on the 1st of July. They are an imposing manifestation of the strength of Italian legal genius. With these new codes has been created a system of criminal law which synthesizes the various scientific tendencies, making of them a transcendent organic whole, and satisfying the real needs and actual exigencies of society and the State.

The other codes, which are in preparation, will also represent an obvious technical advance over the old ones, and will have a decisive political

importance, because they will provide a complex of laws fully in accordance with the new political and social order. For the individualistic principle of the French Revolution, which still inspires the law, will be substituted the social principle which is the basis of the Fascist theory. With the general reform of the law, Italy will rise again to that position of preeminence in the legal field which she has repeatedly held in the past.

The Fascist State absorbs and applies the legal sentiment so profoundly rooted for centuries in the Italian people. The general reform of the State did not alter the characteristic institutions of administrative justice, which the genius of Francesco Crispi created in Italy. They have instead received new authority and vigour in the Fascist State, which is, as it aims at being, strong but within the law, that is to say, a legal State.

The idea of the strong and sovereign State is not inconsistent with the ideal of justice, nor with the essentially popular character of the State. Both, on the contrary, complete and strengthen the power and the sovereignty of the Fascist State. Here we have further proof of the solidity and harmonious structure of this powerful organism which the Fascist Revolution in its forward march, under the guidance of Benito Mussolini, has constructed for the future destinies of Italy.

# THE CORPORATIVE STATE

by GIUSEPPE BOTTAL, *Minister of Fascist Corporations.*

Between the years 1919 and 1922, a turbulent period of disorder and disintegration in society and in the State, in this Italy of ours men were perhaps not lacking who could have brought together and directed the perplexed and scattered energies in the cause of preservation and defence and of necessary reaction. But, as I have observed elsewhere, there was one man only, Benito Mussolini, who, thrust forward by a revolutionary impulse, had the force to take up again the historical thread of the Italian Revolution. If the Bolshevik upheaval was one of the dangers which threatened Italy after the war and the victory, another was the conservative political involution. It was necessary to find the way toward the future, between upheaval and conservatism. Signor Mussolini presented himself to take up again our revolutionary tradition, which was turned aside in the last years of the Risorgimento, and has only today translated itself into institutions and laws.

Thus the bases of the new order, which is being realized step by step, were suggested even before the March on Rome by the Chief, who, while he battles and strives, radiates in all directions his creative thought. Let us consider Signor Mussolini in the formation of the corporative State. The inflexible constructor of today is already fully manifest in the discourse to the workmen of Dalmine in March, 1919. "You act in the interests of your class, but you have not forgotten the nation. You have spoken of the Italian people, not only of the metal workers, to whose category you belong". The Minister of Corporations who, in preparing the Charter of Labour, sets before the representatives of the Syndicalist Associations the fundamental principle that "there must be equal rights for all social classes," and in the Charter itself states that there is "judicial equality between employers and workers," echoes the noble words pronounced eight years before: "You are not the poor, the humble, the rejected, according to the old phrases of literary socialism; you are the producers, and it is as such that you assert your right to treat with industrialists as peers with peers".

However, in speaking of the corporative State, it must not be understood as meaning only all that which pertains to the relations between employers and workers - relations based on a principle of collaboration rather than upon a struggle of classes. Fascism with its new arrangements aims at a more complex end. This, summed up in a few words, is "to reassert the sovereignty of the State over those syndicates, which, whether of an economic or social kind, when left to themselves broke out at one time against the State, subjecting the will of the individual to their own arbitrary decision, almost causing the rise of judicial provisions alien to the legal order of the State, opposing their own right to the right of the State, subordinating to their own interests the defenceless



classes, and even the general interest, of which the State is naturally the judge, champion and avenger”.

In this way, having as a solid basis the principle of functional subordination of the Associations to the State, the corporative arrangement, as it progresses by degrees proves itself to be the foundation of the high political structure. From what was a sectional, quarrelsome, monopolistic, internationalist syndicalism, Fascism has been able to evolve and develop elements of solidarity, of discipline and force, creating a new constitutional system. A reversal of values appears in this process: Fascist syndicalism is the opposite of that which existed before Fascism, for pre-Fascist syndicalism was against the State, and Fascist syndicalism submits to the State.

That is not to say that pre-Fascist syndicalism had no justification. The liberal State was incapable of appreciating the good which it contained, or that which was of historical or human interest in it. The liberal State took its stand on the rights of the individual – an idea too elementary in the face of new judicial needs. The tragic error of liberalism, from which arose with all its violence the phenomenon of class justice, came about by having admitted the working classes to political rights without assuring them parity of contract, that is, equality of civil right.

Now it is not necessary to adore the masses, but they cannot be repulsed or ignored. “We have had to accept syndicalism, and we do so,” declared Signor Mussolini at Udine on the eve of the March on Rome. “Only with the masses, which have a place in the life and history of the nation, shall we be able to make a foreign policy.” A splendid, clear intuition! In all countries the power of the masses tends to shift from domestic to international politics. The example of the Pan-American Congress of Syndicates, held at Washington in 1927, is sufficient to illustrate this.

Fascism, then, not only does not remain in ignorance and fear of the values and the forces which arise from certain tendencies, but recognizes, disciplines, and organizes them for the supreme ends of the nation and the State, which thus gathers into its ethical and political sphere all social life, that is to say all social and economic forces at work among its citizens, endowing them with its ethical and political spirit.

At this time, therefore, when we want to define the Fascist State, and distinguish it from other forms of States, we say that it is a corporative State. Such a definition, however, may appear anything but clear, unless our conception of the corporative State is accurately explained.

Although, as I have indicated elsewhere, the adjective “corporative” has become one of common acceptance and has found its way into political as well as into scientific language, nevertheless the idea which it contains, and by which it is inspired, is only slowly becoming clear and revealing its content. At an earlier time, by “corporative” was understood all that which regarded the relations between employers and work-

ers, from the point of view of collaboration rather than of conflict between classes. The word thus had a limited application and was not given its full meaning, which is of an eminently political and legal character.

This character has not been, and is not always considered, and so confusions and mistakes arise. For instance: before the passing of the law of April 3rd, 1926, no. 563, there existed in Italy a national syndicalism, an emanation of Fascism inspired by the ideas of collaboration, but it certainly would not have been correct to speak of a corporative State.

This was begun only when the State stepped in to discipline the associations of producers, and elevate them to a legal status, to assign to them their character as legal organizations, and to give them special representation which permitted them to stipulate collective labour contracts and to impose contributions on their own members. It is thus clear that the meaning of the word "corporative" must be sought only in the legal regulations by which the Fascist State has realized itself as a concrete example of a truly sovereign State, containing fully in itself the civil society of which it is the form: an accomplished unity in which the said society exalts itself and attains its own perfect autonomy.

Although from an analysis of the principles which underlie Fascist legislation concerning the recognised syndicalist associations, (from the law of April 3rd, to the more recent law relative to the National Council of Corporations), we can use the word "corporative" in a scientific and and rigorous sense; even so the same word is not quite clear until we explain the legal principles which govern Fascist corporative legislation. If it is true from a technical point of view that a law must find in itself the justification for its own imperative force and for the limitations of the rules contained in it, it is also incontestable that the interpretation of the law cannot be other than systematic and historical.

But, because of its historical character, the principles of a judicial system always resolve themselves into the manifestation of a higher idea — that of the State, which is of an eminently political nature; therefore it is evident that to get an exact idea of the meaning of the phrase "corporative State," which is commonly used to define the Fascist State, it is necessary to look to the ends which this State has in view as the fundamental motives of its action. The Fascist State, to one who studies it with such intention, reveals itself as an organic complex, moved by a will that is determined by an admirably logical theory.

Moreover it is not a difficult matter to identify the aims of the Fascist State, since this State, unlike others, defined itself in the declarations contained in the "Charter of Labour", which is therefore a document indispensable for its comprehension.

It is of no importance that some persons, still dominated by a spirit of faction, have found in the "Charter" nothing but a collection of aphor-

isms, while others, possibly in good faith, have discovered in it merely some enunciations of an explanatory or axiomatic character. The truth is very different. As it would be an error to deny the political and historical value of the Declaration of the Rights of Man and of the Citizen, formulated by the French Revolution, so it would be an equal error not to see in the "Charter of Labour" the most solemn political assertions of the Fascist State, which tends to realize in itself the moral, political and economic unity of the Italian nation. And here economic unity is conceived as being inseparable from the national interests and their aims, — namely the well-being of the producers and the development of the national life. Having fixed in their general outline the aims of the Fascist State, we pass on to various observations: first of all, in no other State is economic unity realized as it is in the Fascist State, which in this sense manifests itself as the most complete type of State. If the liberal State marked a progress in comparison with the absolutist regime, in so far as it performed its historical function of admitting the bourgeoisie who had been kept outside till then, the Fascist State is still nearer to perfection, since it has brought under its sovereignty those economic forces, workers as well as capitalists, which were not only without legal discipline, but which acted against the State. In this manner the State received shocks from within as well as from without, both from the capitalists who aimed at subjugating it, and were ready to associate themselves with international plutocracy, and from the working classes who were urged on by socialism to overthrow the State, and were leagued with an internationalism which denied the patriotic ideal.

Hence the crisis of the modern State, which could have been met only by means of a political, moral, and economic unification of society in the State, or of society which makes itself one with the State. This, then, is the achievement of the Fascist State, in which there are no individuals or groups of individuals which it does not recognize, subordinate and regulate, according to its aims.

At this point, however, it is important to understand that if society in the Fascist State has accomplished its own unification and has raised itself to a higher grade, this does not imply a social levelling, which would be quite as harmful as the disintegration which previously threatened public safety and weakened the organism of the State.

The most difficult task of the Fascist State was not to oppose the distressing consequences of the liberal regime, but to find the best way in which authority could assert itself without suppressing liberty, and without thereby running the risk of destroying itself. Turning to the question of economic unity, we may say that it would have been very inconvenient, and would have constituted a dangerous illusion, to attain this without understanding the reasons for the syndicalist organization which is closely related to the production and distribution of the wealth created by modern capitalism. This error, however, was not easy to avoid,

considering the aberrations to which syndicalism had abandoned itself, especially in the period following the war, when it was transformed from an economic instrument into a purely political weapon of offence against even the most sacred ideals of civilization. And thus when liberalism inexorably had to destroy every form of association, it did so essentially by means of a system of castes, similar to the ancient and noble medieval corporations of arts and crafts, from which outsiders were excluded and in which all free activity was prohibited.

The Fascist State, endowed with a spirit eminently political, and therefore realistic, and animated at the same time by the firm resolve to put itself on a legal basis, had to find the occasion for the reconciliation between social forces and its own sovereignty, in the legal recognition of the forces themselves. It had to act so as to have in its presence only individuals and groups whose position had been declared legal: individuals thus acquired the character of citizens, and their groups, the character of "juridical persons," — legal associations. In short, existing syndicates had to become legal syndicates, and the Fascist State has accomplished this.

Let us now see what is the precise legal position of these recognized syndicalist associations. They are, in the first place, regarded as "juridical persons" active and passive at the same time, that is to say, having both rights and duties. They have rights, not only over their members, but also over all those who are in the categories to which their members belong, inasmuch as the recognized association has by law the right to levy contributions both on those inscribed and those not inscribed, and to represent them in regulating the conditions of labor. The recognized associations have duties, because, having the "jus imperi" as "juridical persons," they must render account to the State for the manner in which they conduct themselves in the spheres of action assigned to them.

Since they are recognized as having legal personality, it follows that the recognized syndicates are no longer outside the State, but within the State; there is now only one, and not, as before, many syndicates for each category; they are no longer against the State, or indifferent to it, but are at its service. In other words, if the syndicates are recognized, they have a right to life and liberty of action, but this liberty does not go beyond a certain limit which is determined by the interest of the other incorporated bodies, and particularly by the general interest. This latter constitutes a legal limit which becomes, like all similar limits, a legal duty — preeminently a legal duty in the eyes of the State, which is the guardian "par excellence" of the general interest.

The syndicate, finally, with regard to its own members, has not only the power of representation and of levying contributions, as has been said, but has besides this duties which range from the guardianship of economic and moral interests to the assistance even of non-members and to the moral and national education of both. Each recognized syndi-

cate therefore gives unity to its own category of producers, represents, protects, assists and educates them morally and nationally; and in this unification it keeps ever present the two inseparable aims: the well-being of its category, and the development of national power. But those whom the recognized syndicates represent are not mere citizens; they have the legal and moral character of producers; their position is not simply that of subjects before the sovereignty of the State, but more specifically that of passive "juridical persons." There is a double reason for this: first, in the eyes of the State their duty is to work, and, second, they are responsible, in the case of certain undertakings, for the direction of production, even if it is private, because the private organization of production has been declared to be a matter of national interest, or what is the same thing, of interest to the State.

Thus we reach the federations and the confederations of employers and of workers, organisms which trace their origin to the fact that all categories of producers are bound together by their relations with other categories, while the resulting groups are joined with others in still larger combinations, by the interests they represent, and by the territorial district in which they act, where they assert their common economic activity and labour in some special branch of production. The organization of the producers thus reflects what is commonly called "the law of the division of labour," which from another point of view reveals itself as a law of the unification of labour. Among the recognized syndicalist associations, both of the lower and upper grade, federations and confederations, there also exists a complexity of relations in which representation, protection, and syndicalist assistance reach their highest development, especially when the legal limits of each sphere are kept distinct. When the syndicalist order is considered merely in its vertical structure, the functions of protection and of assistance stand out in special relief; and when one recognized syndicate cannot oppose another of employers or of workers in the same productive category, it tends to become an instrument of economic perfection for its own members. As the recognized syndicalist associations are of two sorts for each branch of production, — one for employers and the other for workers —, the distinction cannot result in separation, nor must it produce strife, inasmuch as the Fascist State, as an organic and sovereign State, admits competition, but not any violent clash of social forces.

We come now to the relations of employers and employed. These are regulated between the different categories by collective contracts, which have binding force over all those who belong to the same categories whether they are enrolled in the syndicates or not. On the other hand, controversies which may arise between the said categories, respecting the application of collective contracts or of other existing regulations, or requests for new conditions of labor, must be settled in a conciliatory manner by the recognized associations of superior grade and by the

coordinating agencies, or, if conciliation fails, by the Magistracy of Labour. As a legal consequence of this principle, strikes and lock-outs are forbidden by law and are legal offences.

The object of all this is to regulate the conditions of labour. But it is clear that a syndicalist order thus established, while arranging for the relations of the syndicates which are distinct from one another yet united into their categories, did not arrange for the equally essential coordination of all the categories grouped in federations and confederations, in order to obtain equal conditions of labour and the even more important unitary organization of all forces of production, consequently, national production itself.

It was a grave problem, yet the coordination of all the recognized syndicalist forces was attained by the creation of the National Council of Corporations, an organism whose tasks are closely connected with the character of the corporative function.

This function must be kept in mind before we outline the tasks mentioned above. If the State had not foreseen, as far back as the publication of the law of April 3rd, 1926, the need for coordinating agencies between the associations of employers and workers, and if, afterwards, in the regulations for the application of the same law, it had not given them the name of corporations, it could not have called itself a corporative State. The recognition of the syndicates, the legal institution of collective contracts, that of the Magistracy of Labour, the legal prohibition of strikes and lock-outs, while being achievements profoundly original, and much to the credit of a political regime, could not certainly have given to the Fascist State that peculiar character which differentiates it from every other State. Its composition would have been exclusively syndicalist and nothing more.

The distinction, therefore, between syndicalism and corporativism, although one is completed by the other, is clear and profound, and to neglect it would be a source of equivocation and of misunderstanding. It is a distinction both of organs and functions. While the recognized syndicalist associations are "juridical persons," the corporations, on the other hand, are organs of State administration. So, while the syndicalist function is strictly connected with the syndicates, the corporative function belongs only to the State. By its corporative activity the State acquires a new and typical function which, though it may seem to be a part of its administrative function, yet constitutes at least a very special phase of it.

The recent law of the National Council of Corporations was the object of important and lively discussions before the two Houses of Parliament, in the last sittings of March. That which took place in the Chamber of Deputies was almost exclusively syndicalist, and centred chiefly around the question of the number of representatives each category was to have in the body of the Council and its sections, with particu-

lar reference to the problem of the equality of relations between the syndicates and the National Council, and with some reference to the syndicalist autonomy or autarchy. In the Senate, the debate tackled two questions which might almost be called the two unknown quantities in the constitution of the Council: that is to say, the position of this organ in the constitutional system and its relations with the other constitutional organs of the State. The powers assigned to the Council in economic matters were also examined, its eventual relations with the corporative economy, the effects which the action of the Council would produce on the national economy, and the general outlines of all the political economy of Fascism.

Two questions were proposed to the Chamber, and of these one was proposed again to the Senate: Can the Council of Corporations formulate regulations which are contradictory to the existing laws of the State? In the future, will Parliament be able to issue laws regulating collective economic relations among the various categories of producers, or relations between employers and workers? The answer cannot be other than negative for the first question and affirmative for the second. Such questions might have had some meaning at the time of the discussion of the law of January, 1926, which dealt with the problem of the regulations between the executive power and the legislative power; but they were not raised then, nor when the constitutional character of emergency decrees (*Decreti Legge*) was treated. The principle of the superiority of the legislative regulations over other juridical regulations was never questioned by Fascism, because it responds to the essential need of every legal organization, namely, the definition of its agencies. The idea of a conflict between these agencies is repugnant to the Fascist conception of the State, considered as an organic unity. As the syndicate disciplines professional activities in view of the national interests, and the corporation disciplines the relations between category and category in view of those interests for which it is constituted, so the National Council disciplines the interests of the categories with a view to the national prosperity, while Parliament, finally, intervenes in view of the political interests of the nation.

Neither can all the interpretations of the corporation in the economic order be accepted. Both from extreme corporativists and from the guardians of private initiative come some errors of interpretation. The National Council should, according to them, represent the advent of a new economic regime, the regime of corporative economy. But this economy was born with the law of April 3, 1926, if by corporative economy one means the economic regime advocated by Fascism. It has existed since the time when Fascism, renouncing the attitude of State indifference to economic facts, assumed the function of regulator of the economic life of the nation.

On the other hand, an impartial examination of Fascist legislation

on syndicalism dissipates the fear of those who dread the suffocation of individual economy. Some provisions of the law, in fact, represent in a certain sense not an amplification, but a limitation, of State action in economic matters. One can then tranquilly refute the opinion of those who see in corporative economy a regime for stabilizing prices. And to dispel every doubt, an examination of the law ought to suffice, especially as regards the composition and the functioning of the Council. It is clear that the Council's field of activity is exclusively that of the categories of producers represented in it: both workers and employers, under the guidance of the Head of the Government, the high regulator of national interests.

Also paragraph 3 of article 12 of the bill prefacing the regulation of collective economic relations, has given rise to the erroneous statement that the Council, in carrying out this function, adopts provisions as delegate of the interested associations. Now it must be remembered that if these associations have the power to make regulations about collective relations of labour, they have none at all over the regulation of collective economic relations. They cannot then delegate faculties which they do not possess; those faculties belong, instead, to the Corporations.

These faculties can be exercised only after the decisions of the syndicalist associations which express the will of the producers, and thus are not the expression of a coercive will of the Council. Thus a real economic self-discipline under the laws of the State is attained: the individual interest operates through the will of the professional associations, the interest of the professional associations through the corporations, the interest of the corporations through the Council. Here is in fact an economic hierarchy by means of which every desire is realized through the one immediately above it. This organization is that which responds most perfectly to modern tendencies in economic matters. The Fascist State does not intervene in business matters, but coordinates them on common lines. And it is a conception that reverses the ideas of socialist theory and at the same time transcends those of the liberal system.

In conclusion: the Fascist State may be defined as a State of syndicalist composition and corporative function, since as a truly sovereign State, it seeks to be adequate to the civil society which makes up its structure, and as a State with aims of its own, distinct from those of civil society, it has as its permanent object, to create, by means of its own action, and to achieve the moral, political, and economic unity of the Italian nation.

This being its character, the Fascist State solves the crisis in which the modern State is struggling. The reconstruction of the State on a solid basis could only take place by the elimination of the long-standing disagreement which was its bane, and by the imposition of order on the economic forces which threatened its existence. Only the corporative principle which affirms the ethical-political will of the State, and the



dignity as well as the political legitimacy of economic interests, could inspire this reconstruction, since the preeminence of the State is not the dead weight of an authority which avails itself of its power and legal weapons, but is the preeminence of the ethical will which does not consider social forces from without, but penetrates into them, brings them into itself, and so gives concrete and true value both to the State and to social forces, both to politics and to economy.

Accurate investigation and careful study tell us that modern history is tending to the corporative conception of the State, to the inclusion of economy in the State, to the identification of politics with economics. But one might ask why it is in Italy, where economic forces were less powerful and less highly developed than elsewhere, that the need for facing and solving the problem has been felt? The question is interesting and it is that which has obliged us to define the historical meaning of Fascist corporativism, that is, its significance in Italian life, leading us to recognize the identity of the Fascist State and the corporative State.

Fascism is the maturing of the unitary spirit of the Italians, the forming of that unitary political conscience which is the true basis of the State. Ever since the territorial unification of 1870, the State had been regarded by the citizens as alien to them, not only by the working classes, — who, therefore became an easy prey to socialist doctrinaires — but also by the middle classes, who produced the leaders of the socialist movement. But with the Fascist Revolution, the State has become the rule, the limit, the guide of the Italians in the realization of their ends.

The weak political conscience, due to the recentness of the unification of the State, and the difficulties of our economic life, gave us special reason to fear the dangers inherent in the contradictory structure of the modern State. Fascism, therefore, in giving the Italians the State which is the true expression of their national personality, has, by the genius and intuition of Benito Mussolini, constructed a State which satisfies all the exigencies of modern life. A Fascist State which should gather together all the forces and all the tendencies of national life and direct them towards the ideal of power which inspired the Revolution, could be no other than the State which reflects the living conscience of the people, which holds the threads of all social life, which is present in every aspect of social life, which brings together and orders all forces and all interests: such a State could be no other than the corporative State, a noble reality which advances towards the secure future of the country.

# THE CONCILIATION BETWEEN ITALY AND THE VATICAN

by AMEDEO GIANNINI, *Councillor of State.*

THE PROBLEM OF ROME AS CAPITAL DURING THE PERIOD OF THE RISORGIMENTO. — The whole Italian people were agreed on the two essential problems of the Risorgimento: the one, to chase the foreigner out of Italy, and the other, to unify the country. But while they agreed without exception on the first point, on the second, opinions varied as to the means of realizing and consolidating national unity. Some recommended a federation of Italian states, while others, fearing the division of strength which would fatally result from the development of a municipal spirit, maintained that it was most important to arrive at a strictly unitary solution — to create a single and strongly centralized state. The federal solution, on its side, permitted the preservation intact of the pontifical state; and there was even a dream of having the Pope at the head of the federation. But when it became obvious that municipalism could only hinder the development of unification — which it did retard, moreover, by ten years — the federalist idea was definitely discarded. Then the vital problem asserted itself, the question of Rome, the natural capital of the Italian nation both from the moral and historical point of view.

How could a people as Catholic as the Italian recover their capital — the patrimony of the Pope — without dissensions with the Sovereign Pontiff; and how could they at the same time guarantee his independence and spiritual autonomy as head of the Catholic Church. The reply was evident: the temporal domain is not indispensable to the independence of the Pope nor to his spiritual autonomy. Even if he is not a Prince, the Pope remains a Pope.

It was clear, however, that Rome could be entered only with the assent of the Sovereign Pontiff, or otherwise, against his opposition. Was an accord possible when neither of the two parties concerned was able to renounce Rome? And if an agreement were not possible of realization, there remained only conquest; in other words, the spoliation of the temporal patrimony of the Pope, and a gesture on Italy's part which would wound the heart of the Catholics, and which — if it became inevitable — could be made only with reluctance and remorse. There was no other way out.

On the other hand, the problem was not exclusively Italian; it was complicated by the fact that all the foreign Catholics supported the Pope and that the political interest of the Powers, especially in the case of France, was involved therein.

When Italian unity was suddenly realized in 1860, the problem of Rome took definite shape and insistently demanded solution. It was Cavour's greatest torment and he determined to embark on a policy of agreement. For this purpose, at the end of 1860 he entrusted a mission

to Abate Stellardi, and later to Baron de Roussy; then in 1861 to Dr. Diomede Pantaleoni and to Padre Carlo Passaglia. Cavour had great confidence in this last attempt, minutely prepared and elaborated, and, although he was not a man to delude himself readily, he hoped that Easter of 1861 would bring the olive branch of a peace finally concluded.

Every attempt at an agreement having miscarried, Cavour changed tactics; he declared himself sharply against the concordat, and in his speeches of the 25th and 27th of February 1861 prepared himself for the struggle. But by what route should he proceed? He could not seize Rome against the general will, and therefore chose the detour of Paris. Napoleon III having refused his intercession with the Pope, Cavour formulated an arrangement with him to avoid finding himself at Rome in opposition to the Pope and in the face of the French. These negotiations ended in the signature of a formal convention (June 14, 1861), a convention which became in substance that of September 1864; just a few days before its signature, Cavour died (June 6).

His successor, Baron Ricasoli (1), wished to resume the negotiations with Paris, but on different bases. The project which he presented not having been agreed to by Napoleon III, he determined to re-enter into direct conversations with the Holy See; but he undertook the matter clumsily. After addressing a letter to the Pope in a didactic tone with practically the air of giving him a lesson, to cap the climax, he chose as intermediary Padre Passaglia, a man already compromised by a pamphlet: *Pro causa italica*, which qualified the temporal power of the Pope as "almost heretical."

Some years later Minghetti (2), in his desire to reach a solution, reopened conversations with Paris on the subject of the accords negotiated by Cavour during the last days of his life, and concluded the agreement known as the September Convention (September 5, 1864). By this he secured the withdrawal of the French troops from Rome; for his part, he bound Italy not to attack the city, and to transfer the capital from Turin to Florence. Bonghi (3) declared the Roman Question settled by this accord which, however, opened up a new phase of the problem, in as much as it henceforth left Italy and the Pope to face each other alone. It was then that Garibaldi intervened and opposed the Convention by his *coup de main* at Mentana. And the problem asserted itself with renewed acuteness up to the moment when France, occupied else-

(1) Baron Bettino Ricasoli, called the "Iron Baron," head of the provisional government of Tuscany; Minister of Foreign Affairs and President of the Council of Ministers (1861-1862); Minister of the Interior and President of the Council of Ministers (1866-1867).

(2) Marco Minghetti, Minister of Interior in the first Ministry of the Kingdom of Italy; several times Minister of Finance and of Agriculture; President of the Council of Ministers (1873-1876).

(3) Ruggiero Bonghi, eminent statesman-philosopher, writer; Minister of Public Instruction (1874-1876).

where by the tremendous exertion of the Franco-Prussian war, finally offered Italy the chance to settle the question.

Visconti-Venosta (1) prepared public opinion by a diplomatic note to the Powers, August 29, 1870, in which he clearly defined the attitude Italy expected to take in regard to the Pope. But Lanza (2), head of the Government at that time, refused to make use of arms without a preliminary attempt at agreement. Victor Emmanuel II personally wrote the Sovereign Pontiff a magnanimous letter which was delivered by Count Ponza of San Martino. The hostile reception accorded to this missive left no other alternative than the use of force. September 20, 1870 General Cadorna's troops took possession of Rome, and several days later the union of this city to Italy was consecrated by a plebiscite.

Conforming to the spontaneous engagement taken by Italy in Visconti-Venosta's note to the Powers, the Lanza Ministry, by the law of March 13th 1871, the Law of Guarantees – later recognized as fundamental – unilaterally regulated the juridical situation and the emolument which Italy proposed to set apart for the Holy See. As was to be expected, the Pope did not recognize this law.

The problem of the acquisition of Rome by Italy was closed. But the question of the relations between Italy and the Holy See remained, that so-called Roman Question which dragged on for almost sixty years before its final settlement. From the outset the problem appeared insoluble, aggravated as it was to an endemic state by a more or less violent guerilla warfare.

From an international point of view, the change which the Holy See had undergone, did not alter in any notable way its relations with the Powers. Yet after this some deemed it useless to maintain a diplomatic representative to the Pope, since he ceased to be a temporal sovereign. As to Italy's relations with the rest of the world, they were troubled but little by this event, and when the first Catholic indignation had subsided, almost all States accepted the *fait accompli*. The domestic situation, on the contrary, was completely upset by the open hostility between Church and State, and by the abstention of Catholics from any participation in the political life of the country.

THE HISTORIC STAGES OF THE ROMAN QUESTION. – The evolutionary stages of the Roman Question, from the taking of Rome to the Lateran Agreements, can be indicated with the following landmarks: 1870-1904 (pontificates of Pius IX and of Leo XIII), 1904-1914 (pontificate of Pius X), 1914-1918 (World War), 1918-1926 (*rapprochement*), 1926-1929 (negotiations). The evolution of the problem can perhaps be more easily followed under each pontificate.

(1) Marquis Emilio Visconti-Venosta, five times Minister of Foreign Affairs (1863-1901).

(2) Giovanni Lanza, Minister of the Interior (1864-1865); Minister of the Interior and President of the Council (1869-1873).

From the taking of Rome on through the last eight years of his life, Pius IX, a sad prisoner in the Vatican, witnessed the crumbling of his concordat policy which had reached its zenith in 1860. In 1876 he saw the fall of the Right – the party responsible for the ecclesiastical legislation, so hostile to the Church, the Clergy and the religious orders, that party which had dispossessed him of his temporal power; and he saw the rise of the Jacobin Left, no less inimical and with a programme proclaimed to be definitely anti-clerical. He witnessed the demise of the Sovereign who had despoiled him, Victor Emmanuel II, whom he could not let die without the aid of religion. A few days later he died in his turn.

Leo XIII, in his long pontificate of a quarter of a century, began with a policy of rapprochement with the Central Powers, especially with the very Catholic Austria. He turned to Franz Joseph when on three occasions he meditated leaving Rome (1882, 1888, 1891), fearing for his position in Italy, not in dread of danger, but impressed by the exaggerated report of events which in themselves certainly did not merit the importance given them. He saw only with alarm the formation of the Triple Alliance, although, as it is known, no guarantee of Rome was given Italy by the Allies. After 1887, during the Rampolla (1) epoch, he turned definitely toward France, whose ambassador, Lefèvre de Béhaine, jealously watched the least sign of rapprochement. The pontificate of Leo XIII marked for Italy the period of Masonic strength and of anti-clerical agitation. Disturbances, more or less grave, repeated themselves constantly. Yet despite the accusation of Jacobinism, Crispi took up the policy of Cavour. Twice he exerted himself in behalf of rapprochement, in 1887 through Abate Tosti and in 1894 through General Mocenni. These attempts having failed, Crispi in his irritation set about to impair relations with the same vehemence with which he treated all problems near his heart. Thus after each repulse his reaction was marked by new legislative and administrative regulations concerning the Holy See. Leo XIII in his last years was no more successful in laying the foundation for what, in a favorable moment, might have become a possible adjustment of the Roman Question.

When he died, thirty years had elapsed since the taking of Rome; a new generation had almost entirely replaced the old, and the Italian State, now over forty years of age, had developed and consolidated, so that it no longer feared that national unity might be impaired. The Church no longer appeared to be a danger, the Clergy, no longer an enemy. In this new atmosphere Pius X, arisen from the people, quitted the apostolate to mount the throne of St. Peter. Thus he viewed Italian problems with other eyes, as did likewise the new Cardinals who had replaced the old. The younger clergy, born and brought up in a united

(1) Mariano Rampolla del Tindaro, Cardinal Secretary of State until 1903.

Italy, no longer shared the passions of former days. The Italian people, on their side, were no more the same; the new generation was getting away from the atmosphere of the Risorgimento, from its enthusiasms, from its strifes, and even from its weaknesses. For this reason it is not astonishing that the Catholics, in view of the prejudices which caused their isolation, no longer wished to remain aloof from political life, but wished to take part in the electoral struggles. They hoped to prevent the troubled elements, seditious or of the Left, from ensconcing themselves in power. Pius X admitted that the *non expedit* had lost its rigour. At a time when electoral strife ran high, he was finally willing to permit that important agreements be made openly between the Catholics and the Government (the Gentiloni Pact). But the Government was a Liberal one and therefore could not modify the ecclesiastical legislation, which was considered the quintessence of liberalism. It shut its eyes and allowed the law to be violated; one might even say it favoured and encouraged these infractions. Secret conversations with the Vatican redoubled their intensity. But conciliation was not mentioned, for the Law of Guarantees was held as the sacred ark and symbol of wisdom itself. Yet from this time on relations were eased and became more stable. The difficulties were indirectly smoothed out by a whole system of compromises, deceptions and evasions of the law, winked at if not authorized.

Times had changed and the results were manifest. In this new atmosphere everyone, even the most responsible members of the Clergy and of the Catholic world, was able to express himself with unaccustomed liberty. Although in 1887 the good Abate Tosti was disowned for his naive pamphlet on conciliation, a "monument of Benedictine simplicity," although in 1889 the Bishop of Cremona, Monsignor Bonomelli (1) (who had already declared in a speech in 1881 that the conquest of Rome was a definite and irrevocable fact) likewise had been disavowed for his pamphlet: *Roma e Italia e la realtà delle cose* (in which, without evasion, he alluded to a possible solution of the Roman Question), and was forced to recant and, in the solemnity of sacerdotal ceremony, publicly retract his unpardonable audacity; yet in 1911 Cardinal Bourne was able to speak with full liberty at Newcastle. And again in 1913, during the social week in Milan, the Bishop of Udine, Monsignore Rossi, and Count Della Torre expressed themselves freely on the possibility of solving the Roman Question, which, be it said in passing, had never ceased to inspire a literature as varied as abundant.

When the European conflict broke out in 1914 Italy turned towards war. What would happen to the Law of Guarantees and to the Holy See? Not without anxiety Pius X saw this double unknown advancing with the storm. But it was his successor who had to meet it face to face. Benedict XV at once took a rather definite stand. Mounting the

(1) Geremia Bonomelli wished conciliation.

pontifical throne, he renewed the protests made by his predecessors, but refused the hospitality which Spain offered him at the Escorial. The Pope is Roman and Avignon is not to be repeated! When Italy eventually entered the war, Pius X used his good offices, so far as the Italian Government permitted, to help the Law of Guarantees to triumph in its test of fire. The liberal jurists were thus once more able to praise the excellence of the law, while the Catholics on their side did not fail to point out that the law had been able to exist not on its own but because of the conciliatory attitude of the parties concerned.

The state of affairs created by Pius X developed under Benedict XV during the World War. The Catholics then arose to power. The clergy, Italians with the rest, did their duty at the front and behind the lines. Relations between the Holy See and the Government, though always indirect, became necessarily more frequent, and were entrusted to Baron Monti, administrator general of the fund for public worship and formerly associated with the Pope. Ecclesiastical legislation itself experienced modification in its practical applications. On the State budget appeared appropriations for the secular clergy, and others for the needs of public worship – sums which increased progressively. The status of the fund for public worship, passive and temporary originally, assumed more and more an active function, while maintaining a provisory character.

In these same years, in that Germany which from the Bismarckian epoch had more than once dangled the scare-crow of the Roman Question before Italy's eyes, there gradually took shape an important campaign in favour of the Pope. Since the Roman Question would have to be taken up at the end of the war, various plans were elaborated. Catholics (Ehrle, since become a Cardinal), Jews and Protestants (Leband, Kohler), historians (Wermingof), jurists of repute (von Liszt, von Stengel, Bornak), and even Erzberger, officially, collaborated in these projects. Between 1915 and 1917 the literature of the Central Powers flourished, culminating in the colossal work of Bastgen: *Die römische Frage*, 1917-1919, (about 2000 compact pages). However, the Holy See had already taken a definite stand when in an interview, July 28th, 1915, Cardinal Gasparri (1) declared that the Holy See "was awaiting the suitable solution of its position, not by foreign arms, but by the triumph of the sentiments of justice which it hoped would be more and more diffused throughout the Italian nation, in conformity with its true interest."

When peace came, the Vatican was excluded from the negotiations at Paris, not by virtue of the Pact of London – which, however, had given rise to a lively debate in the Italian Parliament at the time of its revelation by the *Pravda* – but because of the unanimous decision that only the belligerents should participate in those negotiations. At this time the first (secret) attempt to arrive at a solution of the Roman

(1) Pietro Gasparri, Cardinal Secretary of State until 1930.

Question was made through private conversations between Orlando (1) and Monsignore Ceretti (2) at Paris. From the negotiators themselves, we know today the precise terms of these conversations. Although there was a possible basis for understanding, Orlando judged that it was not yet time to bring matters to a decision. In fact, to solve so grave a problem, he deemed necessary a strong Government and a people who would give support, while at that time the Government was far from strong, and the Italian people were enervated by the after-effects of the war and the disillusionments of the peace.

Nitti (3) succeeded Orlando. There were new conversations between him and Cardinal Gasparri, conversations of which we know nothing, except that they came to no conclusion.

However, in Italian political circles and in the press, a spirited agitation arose. In 1921, under the Bonomi (4) Ministry, the newspapers of the country launched an energetic campaign on the Roman Question, especially on its diplomatic aspect. A parliamentary discussion followed in which three deputies of different parties participated: Mussolini (Fascist), Rocco (5) (Nationalist), Tovini (Popular).

During the ministries of Giolitti (6) and de Facta (7) the question made no progress. It was known to all that Giolitti conceived the relations between Church and State as a system of parallels which could meet only in infinity.

However that may be, from this time on the problem was ripe and could be solved by a strong Government in a regenerated country.

**THE 1925 PROJECT.** — That is why Fascism was able to achieve the solution of the question. Once the Italian nation was back on its feet, with the remains of popular Demo-Masonry scattered and Masonry broken, and with the Catholic forces restored, Mussolini held all the trumps successfully to conclude the enterprise. But what means should he employ?

The fundamental principle of Fascist policy is the rehabilitation of the national forces, including primarily the religion of the country. Mussolini, without agreements, followed a unilateral policy in this sense, using indirect negotiations (the tradition of which was henceforth established) by the intervention of a person of trust. Thus by laws and other governmental measures there followed one by one: the granting of the Chigi Palace library to that of the Vatican, filling a serious void in the pontifi-

(1) Vittorio Emanuele Orlando, President of the Council of Ministers; took part in the Peace Conference, with Sonnino, Minister of Foreign Affairs.

(2) Monsignore Ceretti, Papal Nuncio at Paris.

(3) Francesco Saverio Nitti, President of the Council of Ministers in 1920.

(4) Ivance Bonomi, President of the Council of Ministers in 1921.

(5) Alfredo Rocco, Minister of Justice since 1928.

(6) Giovanni Giolitti, several times President of the Council of Ministers.

(7) Luigi de Facta, President of the Council of Ministers in 1922.



cal collection; the retrocession of the sacred convent of Assisi; the restoration of public worship in numerous churches and the restitution of several convents to religious orders, especially to those of the missionaries; the recognition of papal titles and decorations (these latter having already been recognized at the end of 1878 by Melegari's (1) circular, but without a uniform criterion); the re-establishment of religious instruction in the primary schools, and the restoration of the Crucifix in educational institutions, government offices, and to Parliament; the appointment of military chaplains and religious assistance to all the Balilla (juvenile Fascist groups), the Avanguardia (groups of boys from 16 to 18), etc. In conformity with this order of ideas. Mussolini, at the beginning of 1924 invited the Minister of Justice to form a mixed commission, with a view to studying a reform of ecclesiastical legislation, which, since it was drawn up between 1850 and 1873 under the stress of political preoccupations that no longer exist, had ceased to meet the exigencies of the times. Sig. Oviglio let matters lag, and it was only during his last days in office that, at the repeated invitations of the Head of the Government, he set about forming the commission. This commission, however, was nominated and installed by Rocco. Three eminent prelates, authorized by their superiors, took part in the work. Under the presidency of the under-Secretary of Justice, the commission (rapporteur Sig. Giannini) sat for ten months without interruption and, in spite of sceptics, drew up two bills of law which met with the most lively approval. Shortly after their publication, the *Osservatore Romano* (January 11th and 12th 1926) in a semi-official note was able to indicate in these terms the true road to religious peace: "... For that, it would be advisable, once the Law of Guarantees is abolished - that so-called masterpiece of liberalism - to assure to the Holy See the position of full and entire liberty, both apparent and effective, to which it has an undeniable right; then after a preliminary accord between the two parties, to proceed to the reform of all unjust laws." A month later (February 23rd), before the deluge of comments and polemics, the Pope himself stated his position in a letter addressed to Cardinal Gasparri. From this it may be concluded:

1. that the Holy See believed a change of method essential;
2. that to obtain religious peace the three following points must be solved:

- a) the abolition of the Law of Guarantees;
- b) the assurance of apparent and effective independence to the Holy See, by a territorial arrangement;
- c) along with the political accord, the formulation of a concordat which would serve as a basis for new Italian ecclesiastical legislation.

Some days later the Minister of Justice, Sig. Rocco, in a speech in

(1) Luigi Amedeo Melegari, Minister of Foreign Affairs (1876-1878).

the Chamber, let it be understood that the Government saw no objection to a change of method.

THE NEGOTIATIONS OF 1926 TO 1929 AND THE LATERAN AGREEMENTS.

— From the first weeks of 1924, conversations were held between two high personages of the two Roman worlds, with a view to finding a basis of understanding, but without results. Shortly after Rocco's speech, in 1926, new negotiations were undertaken by the two parties through two confidential representatives, at first with a purely private character but later, officially. Various circumstances prevented the opening of official conversations before the end of 1928. Mussolini negotiated these in person in the early weeks of 1929, and about a month later the agreements were concluded. The Holy See officially announced these negotiations to the Diplomatic Corps accredited to it, and on the 11th of February signatures were attached by Mussolini and Cardinal Gasparri at the Lateran Palace. Discussed and ratified by the Italian Parliament, these agreements went into effect June 11, after the solemn exchange of ratifications at the Vatican that same day. Long and laborious as the discussion had been, the conclusion was swift.

The acts signed are three in number:

- a) a political treaty;
- b) a financial convention;
- c) a concordat.

THE POLITICAL AGREEMENT. — The most difficult problem to solve was without doubt that of the papal territory, for the sovereignty of the Pope, although of a special nature, was involved, on the one hand from the titular point of view, by the Law of Guarantees, and on the other, by tacit tradition now established. Concerning the territorial limits, the claims of the Holy See had passed through several phases since 1870 in the endeavour to reach a practical arrangement. Successively, the dream of a complete restoration, the idea of the restoration of Rome alone, then merely the Leonine City, had been abandoned. In this way the official and semi-official projects of the last years had been limited to a territorial area scarcely passing beyond the walls of the Vatican and to a corridor of land serving to link the Vatican to Civita-Vecchia, a strip restricted to the minimum indispensable for direct communication between the sea and pontifical territory. This last solution, hardly possible because the land would come from Italian sovereignty and would raise an obstacle to communications between northern and southern Italy, was likewise abandoned. There was then the question of seeing whether the territory of the Vatican, as it was constituted January 1st, 1919, could be aggrandized, and in what way. To give it greater compass there was some thought of uniting to it the Doria-Pamphily Villa, but finally it was reduced to the small area provided in the Lateran Agree-

ments; small in its extent, but great morally, and great also by reason of the treasures there accumulated. To arrange the matter of the offices of the Vatican and other dependencies of the Holy See scattered throughout the city of Rome – such as the Palace of Castel Gandolfo, already assigned to the Papacy by the Law of Guarantees – all pontifical buildings and palaces were classed in two categories: the first comprises those buildings and palaces directly controlled by the Holy See, and to those a regime of extra-territoriality is guaranteed; as to the other dependencies, assurance alone is given that they will never be submitted to charges or expropriations of public utility without previous agreement with the Holy See, and without being exempted from all ordinary or extraordinary imposts either of the State or of any other public body.

The territory of the Vatican having become a true sovereign state under the name of the Vatican City, a new problem presented itself: granted that the sovereignty of the City is entire and free from all interference by the Italian State, what regulations should be made regarding the population domiciled within its territory? A Vatican nationality was therefore provided for. This nationality is limited to persons residing permanently in the Vatican City, and ample facilities are offered for those who desire to resume their Italian nationality when they cease to inhabit papal territory.

The Holy See may legislate freely within its own boundaries, where its jurisdiction is full and complete; but in order not to burden the Supreme Pontiff with the cares of jurisdiction, especially in criminal matters, ingenious provisions are made, permitting the Holy See to turn such matters over to the Italian State.

Other provisions are taken entirely from the Law of Guarantees, such as the active and passive right of legations, the sacred and inviolable character of the Pope's person and all consequences deriving therefrom, etc.

Certain provisions deserve a special mention, as that of the first article, which serves as an introduction to the agreements and repeats the beginning of the first article of the Statute of the Realm, declaring that the Catholic, Apostolic and Roman religion is the sole religion of the State; likewise that of article 2, which defined the international position of the Pope in his relations with Italy, thereby establishing that Italy recognizes the international sovereignty of the Holy See as an attribute inherent in its nature and in the necessities of its mission in the world.

The accord is based on the formal abrogation of the Law of Guarantees; the Pope acknowledges that the agreements assure him adequate facilities for the pastoral direction of the diocese of Rome and of the Catholic Church of the world, with all requisite liberty and independence. It declares the Roman Question definitely and irrevocably solved and so eliminated, and recognizes the Kingdom of Italy under the dynasty

of the House of Savoy, with Rome as its capital. On its part, Italy recognizes the State of the Vatican City under the sovereignty of the Pope.

From this brief sketch we see that the fundamental clauses of the treaty completely satisfy two of the essential conditions laid down by the Holy See for the re-establishment of religious peace in Italy, namely: the abolition of the Law of Guarantees, and the recognition of the apparent and effective independence of the Supreme Pontiff, as temporal sovereign, in the true significance of the term, and enjoying full and absolute sovereignty. Thus a new little State was created in the very heart of Rome, independent, and placed on an equal footing with the Kingdom of Italy, and likewise completely and absolutely sovereign over its own territory.

**THE FINANCIAL CONVENTION.** — The financial convention, closely associated with the political accord (article 25) liquidates Italy's debt (resulting from the events of 1870) to the Holy See, of a sum of 750 millions and of a billion of Italian consolidated stock at five per cent to the bearer (face value). We mention the preamble for its moral importance. In effect it takes account not only of the severe damages sustained by the Holy See following the loss of the patrimony of St. Peter and of the goods of the ecclesiastical communities, as well as of the ever-increasing needs of the Church in Rome and elsewhere, but also of the financial status of the Italian State and of the economic condition of the nation after the War. That is why the indemnity was limited to what was strictly indispensable.

**THE CONCORDAT.** — The Concordat between Italy and the Holy See is the necessary complement of the political accord, and regulates the position of religion and of the Church in Italy.

At the same time when the Ministerial commission of 1925 was preparing the reform of ecclesiastical legislation, although it had resolved to consider all the problems, it was constantly confronted with grave difficulties resulting from the absence of collaboration between the two parties. On the one hand, this weakened the settlements proposed, and on the other, rendered obvious the need of reaching a concordat solution. In fact, if the plan of the commission had become law, although admitting the limits imposed by its unilateral character as a law enacted by the Italian State alone, it would have been necessary to establish between the civil and ecclesiastical authorities a system of cooperation presupposing continued if not daily relations, while no official relations could exist between the Church and State. It was thought, for example, that in order to introduce into Italian legislation the system of *nihil obstat* in the nominations of the major benefices, it was essential to have recourse to various expedients and to follow an indirect route in regulating preliminary agreements between the State and the Holy See. Thus the projected

law, based on the principle of cooperation between the civil and ecclesiastical authorities could not fail to be altered and limited by the absence of a concordat foundation. Therefore, although certain criticisms of the project seemed justified, nevertheless it provided the definite impulse for a direct understanding with the Holy See, since it had proved that any reform of Italian ecclesiastical legislation in conformity with existing needs, was impossible without proceeding in harmony with the Holy See. Conversely, it goes without saying that the Concordat has for its point of departure, an understanding between the two authorities; and for its fundamental principle, cooperation between Church and State. Without stopping here to make a minute analysis of the Concordat, we shall limit ourselves to stating two facts:

1. that the labours of the Ministerial commission, a mixed commission with three eminent prelates sitting on it, as we have indicated, had already prepared the ground and facilitated the conclusion of the Concordat;

2. that the Italian Concordat, from more than one point of view, follows the plan of the Papal concordat policy, as I have shown in my work: *I concordati postbellici* (Milan, 1929), and is rather similar to the concordats concluded by the Holy See with Poland and Lithuania, both Catholic countries and by tradition ultra-Catholic like Italy. But in the Italian concordat all the provisions are treated with a breadth of view that is the direct opposite of the liberal legislation of the historic Right, as we have shown above. The Concordat not only settles these problems in a precise fashion, but, moreover, it lays down the principles by which Italian ecclesiastical legislation must be guided in its future enactments. Furthermore, the unilateral regulations of the Italian State can be promulgated only after agreement with the Holy See. Thus all Italian ecclesiastical legislation will be reinvigorated by the combined effect of the Lateran accords together with the legislation necessary for their execution and application. It would perhaps be interesting to note that the Italian Government has profited by these agreements with the Holy See to radically transform the legislation concerning the other religions practised in the State, and these will therefore be able to develop fully under the guarantee of the Statute and of special laws.

Only one of these provisions of the Concordat deserves mention here, that concerning marriage. In the majority of faiths, marriage is a sacrament, the *magnum sacramentum* of St. Paul, and as such the Catholic Church views it. The Concordat and the Italian laws have recognized marriage as a sacrament for Catholics as well as for those who belong to other creeds. The latter, however, are free to contract only the civil marriage.

CONCLUSION. — The most complete secrecy was observed in the negotiations which preceded the Lateran Agreements. There were many

in Italy, as well as abroad, who up to the last minute doubted the possibility of reaching an understanding. Even when the affixing of the signatures was announced, or to be more exact, when it was made known to the Diplomatic Corps accredited to the Holy See that the negotiations had come to a conclusion, that unexpected news aroused a lively and profound emotion both in Italy and throughout the rest of the world. Abroad, every State, even those of strictly Catholic tradition, appreciated these agreements according to its own interests. In Italy, all Catholics rejoiced and saw in the conclusion of this accord one of Mussolini's most significant gestures. However, as the first enthusiasm died down, criticisms arose, but not openly. It is interesting to see from what quarters these took birth. It goes without saying that neither the Masons, nor the democratic or Jacobin parties, nor their survivors or isolated representatives, were pleased. But other sections equally deplored these agreements; the Liberals, for example, with infinite grief saw the fall of that Law of Guarantees which they considered the monument *par excellence* of liberal juridical wisdom; they forgot that every legal monument has an historical function and that this function does not last for ever. Lastly, and this does not lack piquancy, certain Catholic circles of priests and of laymen, accustomed to the balance established for more than half a century from the taking of Rome and the application of the Law of Guarantees, were likewise dissatisfied and surveyed with suspicions the *novus ordo* which was just established so suddenly.

In reality, in the mind of Mussolini, the ecclesiastical reform of 1924 was to serve as a preliminary step towards conciliation and towards concordat legislation, and he had conducted it with great political prudence. But, necessarily, all Fascist enterprises assume a form of revolutionary realization. It is thus that the whole structure of ecclesiastical legislation, patiently built up during almost eighty years, was overturned in a few months, and was replaced forthwith by an ecclesiastical legislation *ab imis*. It is natural that those who have not been able to follow with sufficient flexibility the accelerated rhythm of the development of Italian life, have remained perplexed and astonished.

It is therefore necessary to consider this great historic event – for the conciliation can be truly placed among the great historic events of modern times – with serenity, and it must not be forgotten that when an equilibrium is broken and a new regime takes its place, whatever be the skill and the care which has been taken to work out and settle all details, certain difficulties, more or less grave, are bound to arise. But balance is found with time; is it not true that the Law of Guarantees took half a century to find its poise? And so, the Italian people, in their great majority, have seen in this Conciliation the definite consecration of Rome as capital of Italy and in the installation of religious peace, the realization of a prophetic dream, the torment of two generations.

# INTERNATIONAL LABOUR AND ITALY

by GIUSEPPE DE MICHELIS, Senator, President of the International Institute of Agriculture.

Italy's interest in problems relating to Labour protection on an international scale goes back to the first days of her Unity, and was partly the outcome of juridical tradition and partly the result of increasing emigration and the necessity of protecting her emigrant working classes.

When the movement in favour of internationalizing Labour Legislation first arose in Europe – in the two decades 1870-1890 preceding the Berlin Conference – Italy took an active part in it and sent Francesco Crispi on a mission to the different European capitals to speak in its favour.

Italian delegates also played a leading part in the meetings of the well-deserving private International Associations and in diplomatic international conferences, including those held at Berne in 1906 and 1913 – for the concluding of agreements. Meanwhile, Italy's treaty with France in 1904, later revised and enlarged in the important 1919 treaty, was the first example of those two-sided emigration and labour agreements which at the present day form the basis of an immense system of international conventions for the uniform treatment of working men independently of nationality.

At the end of the World War this fragmentary and sporadic movement, depending for its very existence on the good will of Italy and a few other Nations, received universal recognition. Exactly ten years have gone by since the Treaty of Versailles laid the foundations for a permanent International Organization, whose duty it is to place the movement on a solid working basis. The XIIIth Part of the Treaty contains the Statutes of this new achievement of modern civilization. Here again Italy took up her position in the front ranks. Her plenipotentiaries, headed by the late Baron Mayor des Planches, fought up to the very last to secure for the Organization the highest possible standing both *in its field of action* and in *the binding character of its decisions*.

Their work was taken up again on a different front in the annual meetings of the Organization, which definitely established its headquarters at Geneva, as a branch of the League of Nations. In the beginning it met with strong opposition. French interests were against extending international legislative protection to agricultural labourers. The new Institution seemed destined to protect the interests only of the town industrial workers, while neglecting and consequently damaging those of the field labourers, kept to the old working terms bordering on serfdom. Anglo-Saxon interests threw the weight of their influence against the International protection of Emigrant Labour. Emigrant labour, in its turn, in its struggle against the protection policy and abuse of power of the national socialist syndicalism of rich countries, had serious labour problems to submit to public opinion. Here again we have to record two Italian victories over protection interests.

It is mainly owing to Italy's efforts that the International Labour Office extends its jurisdiction to-day over so many fields of activity. Thirty-one draft agreements, scores of recommendations, hundreds of resolutions have approved a single type of legislation for the protection of Labour: working and rest hours – the protection of women and children – unemployment and retirement – agriculture – the mercantile marine and emigration – accidents and occupational diseases – minimum salaries and social-insurances. Not a single branch of Labour protection has been overlooked in the agendas of the first ten years' meetings at Geneva.

A pioneer in promoting and upholding freedom of speech in discussion, Italy has always been the first to put the final decisions of the I. L. O. into practice. The Duce himself is a champion of all such movements. On coming into power he immediately ratified the Washington Convention of 1923, the first to lay down an eight-hour working day, while other countries are still debating the question. To-day, while England and Germany, after numerous Conferences and Conventions, are still waiting to ratify this mild agreement and while France is entrenching herself behind a conditional ratification, Italy is prepared to renounce her conditional agreement of 1923, as she is now in a position to ratify the convention as it stands.

( Up to the present moment Italy has ratified some seventeen of the International Labour agreements. They concern:

1) Working hours; 2) unemployment; 3) night work for women; 4) night work for children; 5) the use of white phosphorus in the manufacture of matches; 6) unemployment indemnity in case of ship-wreck; 7) the retirement of sailors; 8) the minimum age limit for agricultural labour employment; 9) the association rights of agricultural labourers; 10) weekly industrial rest; 11) the minimum age limit for firemen; 12) compulsory medical visit of youthful members of ship' crews; 13) uniform treatment of foreign and national workers as regards payment of damages in case of accidents; 14) seamen's enlistment contract; 15) the repatriation of sailors; 16) method for determining minimum salaries; 17) indemnities for agricultural labourers. Parliament has already authorized the ratification of the following agreements. 1) assistance in childbirth; 2) minimum age limit for industrial labour; 3) minimum age limit for maritime labour; 4) the use of white-lead in paint. Very soon most of these agreements will be ratified.)

Lastly, the following agreements have been discussed and presented for ratification: 1) the inspection of emigrants on board ship; 2) indemnities for "occupational" diseases.

The above covers twenty-three of the thirty-one agreements drawn up by the International Labour Conferences of the last ten years. To these must be added the Accident Insurance Reform and the forthcoming institution of compulsory insurance against diseases, already in



force for tuberculosis. These will soon lead to the ratification of three other agreements connected with the above-mentioned forms of mutual labour insurance.

This is a further proof of how much our social legislation has improved, especially in its relations with international obligations. It is obvious that Italy is in a position to maintain her advanced position on this ground owing to the fact that her home legislation keeps pace with the kind of legislation being formulated at Geneva on such advanced lines.

The International Labour Organization has been faced with the following problems in the last two years. After going over the entire field of traditional Labour legislation in every possible direction, from the protection of workers to social Insurances, the I. L. O. seemed to have come to a deadlock. What new work remained to be done? On the other hand, what was the best way to consolidate the work already achieved in order to render it more responsive to constantly changing economic conditions than had been possible in the enthusiasm of the first years?

Here again Italian initiative came to the fore and offered its contribution to the movement:

- 1) by suggesting the enlargement of the Organization's scope;
- 2) by insisting on the necessity of giving deep thought to economic problems lying at the basis of the various labour problems;
- 3) by suggesting that the Organization should concentrate its attention not so much on minute individual problems of labour protection as on the elaboration of a Labour Statute based on a renewed and sounder organization.

These are distinctively Italian and Fascist conceptions.

The after war social changes have accentuated the difficulties of the middle classes. Small manufacturers, tradesmen and farmers, craftsmen and professional men, the intellectual classes and office employees have many interests in common with manual workers, all of which call for immediate protection. Occupational organizations aim also at reconciling all these interests. The wall which formerly seemed to stand between the interests of the professional classes and manual labour has fallen. Common interests demand a common defence. The Fascist Syndicalist Organization, with its capacity for understanding the new problems, has placed all kinds of labour on the same common basis: be it organizing labour, skilled labour or manual labour.

In the international domain also the intellectual classes and artisans (another form of productive labour which modern industrial development has not yet succeeded in banishing) have joined hands and knocked at the door of the International Labour Office. Industrial manual workers still entrench themselves behind worn-out ideas of protectionism. Some of the suggestions made by the present writer have

had the good fortune to clear up not a few prejudices. To-day professional men, office workers, and artisans have each their own Commission to represent them at Geneva, to voice their interests and their needs, to study their problems and to take the best possible legislative measures in their defence. Thanks to Italy's efforts, millions of men may now look to Geneva with the same confidence that inspired the manual workers of the great industries.

Is there any possibility of making Labour legislation efficacious independently of changing economic conditions? Do not these conditions determine the minimum and maximum limits of such legislation? By neglecting them does one not risk keeping the minimum limit at a very low level to the detriment of the working-classes? Does one not risk exceeding the maximum limit and thereby jeopardizing the stability of legislative action?

All these are big problems which the International Labour Office has perhaps made the mistake of not weighing sufficiently, urged on by the impatient desire to get something done. But the well-remembered inquiry into the problem of production conducted in 1920 by an Italian, Sig. Pirelli, gave expression to these same doubts. Then the situation seemed to show signs of definite improvement. Recently, however, it took a turn in the opposite direction. What was happening to European economy, the principal sphere of action of the International Organization of Labour, in the face of the forced competition of the U. S. A. which still keeps aloof from the work being done at Geneva?

It is owing to another Italian, Signor Olivetti, that the present situation has been courageously and clearly delineated at the Labour Conferences of the last years. The growing understanding of economics of the working-class delegates permits of a more thorough examination of economic problems in their bearings on the problems of Labour protection.

There is perhaps a tendency to exaggerate in the opposite direction: to claim to study and settle within the Organization both economic and labour problems relating to special branches of economic activities and the protection of the interests of the several nations. Only yesterday the preliminary Conference met to discuss the labour problems connected with the European coal industry and it hopes to discover a way of solving on an international scale the crisis this important branch of industry is struggling through in certain countries. I have taken care, however, to show the dangers this road may lead to, by unjustly favouring some countries to the disadvantage of others, and by becoming a menace to the prestige of the Organization. One must not forget the universal character of the I. L. O. and its task of settling problems mainly economical, but concrete and limited to the labour sphere. If the Organization works wisely and intelligently it may be practically

sure of success when it decides to face the more difficult problems of general economic organization.

Personally, I see another and a broad way open to the International Labour Organization in this new phase: here again Italy has led the way, aided by her experience at home. More than three years ago, the writer suggested to the Labour Conference that it should face the problem of joint Labour agreements and of a legal solution of industrial conflicts (by arbitration or Labour Courts). These suggestions were favourably received by Signor Bottai, who by bringing to the two last Conferences at Geneva the weight of his personal authority and revolutionary experience, was able to show the necessity and advantages of this new tendency. We must consider partial reforms as a thing of the past and boldly face the fundamental problems of social organization, on the new basis of a comprehensive juridical organization of all the producers and including all trades.

From this point of view all the valuable work done at Geneva in the first ten years appears, indeed, in a very poor light, and the class conceptions still ruling there seem absolutely misleading. The yearly discussions relating to the appointment of the Italian Workmens' delegate may have been irritating to the Italian public, but they offered the representatives of Fascism a chance to prove how far the Conference had gone astray in practice from the spirit of its Statutes. They have made it possible to correct these backsliding tendencies in the interests of the Organization, and they have shown how fertile the new conception of liberty based on the union of producers of all classes - i. e., on Fascist Syndicalism - may be. This shifts the centre of gravity from the interests of the individual or a class and carries it into a wider social field. The aim in view is still one of social freedom in which freedom of action and freedom of syndical association become a function and a duty rather than a revindication and a right. The final result is a more efficacious and dignified defence of the rights of labour.

A country upholding such a course of action in international spheres, in a healthier and more genuine revolutionary sense, is bound to receive recognition as a sincere promoter of the improvement of labour conditions in the world. And, indeed, prejudices in other countries which have at times obscured the vision of the true spirit of Fascism and the new Italy already show signs of falling away.

# AGRICULTURE UNDER THE FASCIST REGIME

by GIACOMO ACERBO, *Minister of Agriculture.*

I. — Agriculture, as is well known, represents for us Italians the richest source of life and prosperity since, together with the crafts dependent on it and related to it, it employs more than half our population. If one considers the number of people employed (excluding the women who devote themselves to domestic cares), 55 inhabitants out of 100 exercised their activities in agriculture before the war, whereas the percentage of the agricultural population is 40 % in France, 35 % in Germany, and 12 % in the United Kingdom. The proportion of the industrial population, however, which is about 28 % in Italy, rises in France to 32 %, to 40 % in Germany, and 44 % in England, while the commercial population is respectively 8 %, 14 %, 12 %, and 23 %. These few figures bear witness to the much greater relative importance of agriculture in Italy over all other forms of economic activity, as compared with other European States. Nor have the proportions been substantially altered with the passing of time. We should add that in the small centres a great part of the population, although not, statistically speaking, to be classified under the name of agricultural population, lives in close contact with the rural background.

( Calculations for the evaluation of the national wealth in its sum total and its several forms are also very significant. On the present rough total wealth of 400 thousand million lire, rural property, including buildings, represents quite 160 thousand millions, cattle 20 thousand millions, and agricultural machinery and equipment 5 thousand millions: so that one may certainly say that about half the total Italian wealth consists of rural property and land.)

According to other computations, out of a total of 540 thousand million lire, 235 thousand millions represent the value of country property, farm buildings, and cattle; thus the proportion of agricultural property (excluding agricultural machinery and implements, and, generally speaking, all the mobile stock appertaining to agriculture) would still be about 44 %. While less conspicuous, the share of agriculture in the composition of the national revenue is none the less very big. Out of a total of from 85 to 100 thousand million lire, 30-32 thousand millions represent the income from agriculture, pasturage and forest-culture, while 28-36 thousand millions represent the proportion of industry, and 10-11 thousand millions that of trade and banking.

One must also remember that industry is to a great extent dependent on agriculture, which it supplies with machines and agricultural implements, raw products and subsidiary materials, while agricultural products and the financing of agricultural production is largely responsible for commercial and banking activity.

II. - This essential factor in our economic system was seriously impaired by the war, nor were the first three years of peace able substantially to improve the situation. Although they had not suffered irreparable losses, the natural resources of the country were greatly impoverished by reason of the feverish and undisciplined cutting down of the forests, the reduction of income from live-stock, and the serious losses sustained by agriculture in the fighting zone. Fortunately, a great part of this zone consisted of mountainous and uncultivated ground, so that the general scheme of Italian agrarian economy was not badly hit by the arrest of work in the war zones; and this was immediately remedied afterwards by re-building homes, re-filling cattle-pens, and resuming the accustomed work. Much greater was the loss caused to agriculture by the lack of workers as the result of recruiting, and by the scarcity of fertilizing materials: in fact, from 1913 to 1919 food imports jump from 0.7 to 5.2 thousand million lire; an increase of value obviously much greater than the corresponding decline in value of the lire, and thus, in the case of many goods, due in part to the increase in the quantity of the imports. For cereals, the deficit to be covered by imports was much larger in the period 1915-22, and the increased amount of imports does not indicate a greater consumption, but a scanty and insufficient home production, whereas the like increase in meat imports was only in part caused by increased consumption, and is much more due to the diminishing of home supplies of cattle available for slaughter; and while the importation of food products was increasing, numerous branches of agricultural exportation, such as flour, macaroni, fresh fruit, meat, eggs, poultry, and cheese almost ceased. Exports of wine, vegetables, fresh greens, lemons, oranges, and preserved fruits also greatly diminished; this was due in part to the reduced buying capacity of foreign markets, but in a still greater degree to decreased home production.

III. - This critical condition, directly due to the war, was rapidly and greatly aggravated by the outbreak of a frenzied class war. History seemed about to record some terrible catastrophe. All productive activity was inevitably paralyzed, and agriculture could not escape the general depression. Organizations of every kind, obsessed by purely party interests often conflicting with the common interest, were rife, and had irreparably undermined the authority of the State and weakened the strength of its organs. Together with this progressive paralysis of public forces, powerful and menacing coalitions of economic and political interests were growing up; and these pursued the policy of fighting for futile and petty causes on the pretext of framing vast schemes of action, even organizing general strikes, no longer as an extreme means, but as a daily weapon of social strife and disruption. The observer and the historian are particularly struck by the acute aspects of this movement,

which passed from obstructionism to strikes on the one hand, and the seizing of factories and land on the other, thus reducing production to a standstill; but the less striking, the chronic forms of class unrest and strife were equally baneful – the reduction of hours of work, whether agreed or imposed, the reduced output on time work, negligence in the execution of tasks and in the upkeep of works, and so forth.

This crisis did not spare agriculture. Industrial strikes alternated with agrarian strikes; they had been very frequent before the war ever since 1901, abating slightly with the peasants' organization of the years 1902-3, but in 1904 the number of agrarian strikes (210) was almost five times as great as in 1903, and the number of strikers (94,816) more than four times as great, pointing to an alarming revival of agrarian agitation, which flung the country into a new state of crisis. There were varying periods; but during the war at least strikes enormously decreased in number, and the working classes co-operated very effectively in direct and indirect war work. In 1919, the number of strikes suddenly increased again: in agriculture they jumped from 10 in 1918 to 208 in 1919, with 505,129 strikers, and to 189 in 1920 with 1,045,733 strikers. This movement began to be on the wane in 1921, mainly as a result of the energetic action of the Fascist squadrons. This agitated period of course enormously increased the prevailing tendency of post-war times – the tendency to abandon the land and to overcrowd the cities, to which the workers felt attracted by the restless spirit of adventure, of faction and of civil war, which seemed to travail the country in those tragic years.

IV. – Fascism restored order and tranquillity to the country – conditions indispensable for any sort of economic activity, and especially for agriculture, the fruits of which ripen slowly and over long periods. It restored security of land property and the respect for labour contracts; and thus it roused again in the minds of our rural multitudes that traditional sense of attachment to the soil which is to-day, under the Duce's rule, the most powerful incentive for the achievement of our purpose of securing the maximum output from our soil.

This is the natural consequence of the decisive victory won by Fascism in its heroic and bloody struggle with all those subversive movements, – communist and anarchic – that were tearing our country asunder, but it is also the result of the decisive and comprehensive agricultural policy that characterizes the political programme of the Regime.

Thus, with the coming into power of the Fascist Government, the terrible crisis that had alarmed the nation in the years immediately after the war, with such deleterious effects on the agriculture of the country, subsided, and tranquillity took the place of confusion and insecurity of tenure and rights. The next step was to revoke the measures weakly and wantonly passed for the concession of lands – measures that, without benefiting agriculture, had caused grave embarrassment to the owners,

and had proved a serious obstacle to the investment of capital in works of land improvement. Other measures which restricted the liberty of agrarian contracts were gradually emended, and thus Italian farmers began to feel once more free and secure and returned with renewed enthusiasm to invest their money in land and in land reclamation and improvements.

Social peace and class collaboration found juridical expression later – in agriculture as in the other spheres of national economy – in the Fascist syndicalist and corporative organization of the Italian population. This is not the place to describe, however briefly, Fascist corporative or “guild” organization in its economic, juridical and social aspects; it will be sufficient to record that all categories of employers of agricultural labour were included in the employers’ syndicates: together with landowners, properly so-called, were also the owners of small holdings and lessees, the actual cultivators of farm lands; while, in the workers’ syndicates, were included labourers and day-workers on the one hand, farm-managers and metayers on the other. As for the agricultural experts, they were included in the syndicates for professional men, and they accomplish a very useful and beneficial work; moreover employers, workers and experts co-operate willingly in all matters of national economic importance.

It is impossible to estimate the fine contribution of the great and small syndical and corporative bodies, not only towards the peaceful and profitable regulation of the relations between capital and labour, but also towards the best solution of vital problems connected with production, technique and, generally speaking, the whole question of agrarian economy.

V. – If we pass from general and syndicalistic policy to examine the action of the National Government in the more strictly agricultural field, we are faced with an imposing scheme of work, aiming at developing to its maximum capacity every force that aids in making the land more profitable and giving a greater incentive to production. It has been rightly said that the greatest revolution effected in the field of pre-war economy was that caused by the transformation of agrarian technique. The extension of cultivation to untilled lands in our continent and, more particularly, in other continents, had in the XIX<sup>th</sup> century stimulated the quest of new means of drawing a greater amount of produce from the soil. Fascist Italy, utilizing the discoveries of the last century, which were added to and perfected by fresh research and experiments on a vast scale, is now systematically extending the use of scientific methods of farming, as she has already done in the industries that utilize agricultural produce. Elsewhere in this record of Fascist achievement due mention is made of the measures passed with the intention of promoting the progress of agrarian technique; but here we wish to mention particularly the laws passed with the aim of intensifying and regulating the campaign

against the agricultural pests that menace the fruits of hard toil in the fields.

The Government has, above all, given the greatest help to those institutions that lend themselves to propaganda purposes and to technical developments. The measures, so long needed, for the re-organization of institutes devoted to agrarian experiments, and for creating an institute of research in rural economy and statistics deserve particular note. It is intended that every large district, which naturally presents its own peculiar agrarian characteristics, and therefore its own peculiar problems, shall have its own experimental institute, or a group of institutes working in close co-operation, capable of facing such problems with adequate means. In the districts where they exist, the higher Institutes of Agriculture have been assigned the task of co-ordinating all this experimental work entrusted to them and to other institutes. Ordinary agrarian instruction in schools is also improved and has been the object of special attention, while the technical instruction of the peasants and the institution of model farms for practical instruction in farming for young peasants has been supervised with equal care (Act of December 13, 1928, No. 2885). Since the State lacked its own technical agrarian staff in outlying districts (the excellent professors of the Travelling Chairs of Agriculture are mainly concerned with propaganda), regional agrarian inspectorships have been constituted. These will relieve the Travelling Chairs of certain tasks less suited to them, and will assume others which previously pertained to the Ministry itself, thus actively exercising vigilance over all the numerous bodies under the control of the Ministry which the latter previously found it difficult to supervise directly.

VI. - The vigorous help given to land propaganda, research, and agrarian instruction could not but show itself in a swiftly increasing diffusion of the most modern methods of agrarian science and technique; and the fruits of this progress were not slow in ripening.

The Wheat Campaign, conducted by the Head of the Government on the principle of not changing, to the disadvantage of other cultivations, either the natural distribution of cultivated land or the most economical division of available capital and labour, has consequently been a campaign for technical progress and to obtain the maximum yield per unit. In fact, all the measures adopted have this central aim, from those concerning the institution of a permanent Wheat Committee, consisting of eminent technical experts, to measures of propaganda, such as demonstrations and experimental research in connection with wheat growing, the encouragement of the use of selected seed, the extended use of motor-ploughing, electro-cultivation, and agrarian machinery, great prize competitions, the work of land reclamation, etc.

This intense and devoted work has resulted in an increase of the wheat crop from an average of 5 million metric tons before the war,



and of barely 4.5–4.6 millions in the years immediately after the war, to an average of more than 6.1 million tons in the first six years of the Wheat Campaign; while in 1929 a total of 7.1 million tons was attained, with an average production of 1.4 tons per hectare (1.97 in the north, 1.2 in the centre, 1.35 in the south, 1.29 in the Islands).

In these last years maximum yields per unit have been achieved: these rise to 6.45 met. tons in the north, and 4 tons and more in Southern Italy, which is now being cultivated on the extensive system.

As for other cereals, the crops are shown in the following table, which illustrates better than any words the general progress of national agriculture since the coming into power of the new Regime.

Products	Average in Millions of Quintals (10 quintals = 1 metric ton)							
	1909-13	1924	1925	1926	1927	1928	1929	1930
Wheat . . . . .	50.4	46.3	65.5	60.1	53.3	62.2	70.8	57.4
Rye . . . . .	1.6	1.6	1.7	1.7	1.5	1.7	1.8	1.6
Rice . . . . .	4.8	5.9	6.3	6.9	7.-	6.3	6.7	6.5
Barley . . . . .	2.3	1.9	2.8	2.4	2.1	2.4	2.6	2.4
Oats . . . . .	5.5	4.8	6.9	5.9	4.5	7.-	7.-	5.3
Maize . . . . .	26.1	26.8	27.9	30.-	22.2	16.5	25.3	28.7
Total in Quintals	90.7	87.3	111.1	107.-	90,6	96.1	114.2	101.9

The cereal crops have risen from 9–9.1 million metric tons in 1909-13 to 11.4 million tons in 1929, and to 10.34 in the six years 1925-1930; thus the production has risen from an average of 247 to 253 kgs. per inhabitant. Italy has, in a word, succeeded in harmonizing cereal production with demographic development, while in this effort the greatest States in Europe, notably France and Germany, are declining visibly. (Germany has fallen from 408 to 318 kgs. and France from 417 to 366 kgs. from the pre-war period to 1925-28).

Industrial cultivation is also being fully developed, both in quantity and in quality. The 1930 production of beetroot, amounting to about 3.025 million metric tons (27.39 per hectare) is superior to that of last year (2.925 million tons: 25.18 per hectare), although the quality of the sugar is not so good. (The average polarization, originally of 10 degrees, reached in 1929, 16.67 degrees, thus very nearly equalling the rate of the most progressive countries of Central Europe).

For 1930 a very good tobacco crop is expected (49,338.8 metric tons) against 48,100 in 1929. As for hemp, the last crop of 91,353 tons is little below the level of the average of the last six years and is superior to the crop of 1929. Flax whether for seed or fibre, covers an ever decreasing area of cultivation, but the average production per hectare has risen from 301 kilos (1928) to 500 and 409 kilos (1929-30) for fibre-flax, and from 406 (1928) to 509 kilos (1929-30) for seed-flax.

The cultivation of mulberry-trees has yielded excellent results. With

1.48 million tons of leaves, 894 thousand ounces of eggs have been raised, i. e. little less than in 1928 and 1929; but the actual yield has been greater, so that the amount of cocoons has reached almost 53 million kgs., that is 59 kgs. per ounce raised, against 56,7 in 1928 and 58 in 1929.

This increase is more striking when compared with the pre-war period: it may be calculated at about 7 million kgs., including the products of the new provinces. This shows how much improvement has been made in the use of silk-worm eggs and the science of breeding, thanks to the regulation of their production and sale, to measures taken against lime-disease, and the assiduous campaign of propaganda that has been carried on until now and must be further intensified. To give greater incentive to the silk industry the National Silk Company was founded; but the production of silk cocoons is still inferior to the normal needs of Italian industry, and the yield of the eggs is still far from the 70 kgs. per ounce that could certainly be attained through further progress in the technique of production. The Italian silk problem, which is of the greatest importance to our export trade – to which silk contributes to the extent of about 2 thousand million lire – must be solved mainly from the agricultural end by the cultivation of mulberry trees for silkworms, and in fact this form of cultivation is increasingly encouraged and aided, particularly in Southern Italy.

Our vineyards, a source of prosperity for whole regions of Italy, in spite of the extensive destruction wrought by phylloxera, maintain, on the whole, their position, and by the introduction of American vines are energetically disputing the field with the destructive parasites. The efforts made by the Government nurseries and anti-phylloxera associations, now organized as provincial vine-growing associations, are doing much to remedy the situation. The vineyards are now almost everywhere being organized along essentially economic lines of cultivation, with more and more standardized products, better suited for foreign markets; these include not only wines, but also desert grapes, which are in growing demand. The National Government has not failed to provide legislative measures against disloyal competition, in defence of our typical national wines, and to push them in foreign markets.

Meanwhile new schemes are afoot for Italian olive cultivation; if these schemes are carried out with the success they already promise, our olives should be able to win back the supremacy they formerly held, recently yielded, for various reasons, to other European countries. The present depression is being met by energetic protection measures, especially against the competition of seed oils; and thus it may even have beneficial results. As far back as August 1927, arrangements were made for the institution of associations among olive cultivators, with the aim of increasing the cultivation and the use of efficacious weapons against diseases and parasites, besides the replacing of old and useless trees and

the opening of scientific nurseries, the use of selected olive trees for experimental purposes, the organization of the sale and exportation of olive products, and so on. Other measures are now being considered; but the real safeguarding of national agriculture lies in the progress of agricultural science, and of processes of industrial development, by means of which crops can certainly be increased, and the cost per unit be diminished, while an intense work of methodical reconstruction is being carried on, for which the Government will not fail to give our olive growers every encouragement, incentive, and technical and scientific assistance.

VII. – The leguminous forage crop, which is indissolubly connected with wheat cultivation, claims the greatest care, and will benefit by the vigorous impulse given to wheat production – a further proof of the connection between the progress of wheat cultivation and that of live-stock breeding.

The varying situations recorded in the following table show the position of Italy's live-stock capital during the last twenty-six years:

	1901	1908	1914	1918	1926
Horses . . . . .	900,000	955,878	1,000,000	989,786	1,050,000
Donkeys . . . . .	800,000	849,723	930,000	949,162	980,000
Mules . . . . .	350,000	388,337	420,000	500,555	520,000
Cattle . . . . .	6,000,000	6,218,227	6,920,000	6,239,341	7,400,000
Swine . . . . .	2,250,000	2,507,798	2,750,000	2,338,926	2,850,000
Sheep . . . . .	10,700,000	11,162,926	12,000,000	11,753,910	12,350,000
Goats . . . . .	2,500,000	2,714,878	3,000,000	3,082,558	3,100,000
TOTAL	23,500,000	24,797,767	27,020,000	25,854,238	28,250,000

There is no doubt that but for the war we should have achieved much greater and more striking results. The war was a great set-back to the progress achieved by resolute efforts in the preceding years, and a great part of the activity displayed in the following period has been absorbed by attempts to win back the lost positions. The chief products of stock-breeding (livestock, meat, dairy produce, eggs, bacon, lard) were sufficient in 1900 (wools and horses excepted) to meet national needs, and even permitted a moderate exportation. In 1926 there was still an annual exportation of the value of 450 million lire, but this declined in 1927 and in 1928 gave place to a deficit of almost 300 millions and in 1929 to a much greater deficit of about 500 million.

Considering also wools (a heavy burden on the trade balance of animal products, with a very slight exportation and an importation of from 900 to 1,751 million lire) and undressed skins, a deficit must be noted of considerably more than a thousand million lire, which in 1929 approached one and a half thousand millions. The situation shows a considerable

improvement on that immediately following the war, but still leaves much to be desired.

Immediately after the war, two serious problems presented themselves: the re-organization of the live-stock resources of the freed and restored provinces and the carrying out of a programme aiming at restoring all the damage caused by the war, and at effecting a more marked rate of progression in the animal production of the Kingdom. For this purpose special commissions were instituted in the South with the task of intensifying activity in those zones so much neglected in the past. But available funds did not suffice. To the Government belongs the great merit of having provided for these important branches of our national economy. Among the more important measures taken we must record: a) the adequate increase of the fund for promoting live-stock research and the great impetus given to the efforts of the Ministry to encourage and supplement those made by our farmers in this field; b) the re-organization of the stock-breeding institutes of Rome, Turin, Reggio Emilia, Biella, Palermo and Bosa as associations, and the creation of new institutes at Modena and Pavia; c) the compulsory examination of bulls kept for public breeding purposes in the Kingdom, and the extension of this rule also to bulls used for private breeding.

Government intervention has been prompt and effective in connection also with horse-breeding, introducing three measures of fundamental importance: a) the conversion of the eight existing horse-breeding studs from government concerns into commercial syndicates (R. D. of September 6, 1923, No. 2125); b) the authorization of the expenditure of 29 million lire, in ten consecutive financial years, as an addition to the normal funds appropriated on the Budget for the breeding of horses and mules (R. D. September 4, 1925, No. 1734); c) the better regulation of the examination of horses destined for public breeding, and the extension of this compulsory examination also to donkeys; the restoration of the horse-breeding council, (R. D. August 13, 1926, No. 1559). Nor must we forget the Royal Decree of October 23, 1925 about the raising of bees; comprehensive provisions on behalf of poultry and rabbit-breeding (R. D. September 3, 1926, No. 1796) and the group of regulations contained in the Act of October 15, 1925 (which regulates the production and sale of agrarian produce) for the protection of genuine farm produce against frauds and shams of all kinds.

We now come to the fundamental law concerning live-stock production (June 28, 1929, No. 1366) which aims at consolidating the provisions contained in numerous Acts and regulations and introducing necessary amendments – a law that has infused new life into the work of zootechnical progress and improvement. By virtue of this law, each province has in fact its own programme of action, decided by the Provincial Economic Council on proposals put forward by the travelling Chairs of Agriculture, the Council being responsible for the actual execution of the pro-

gramme, which includes, to a greater or lesser extent, as necessary, the measures proved to be most effective: diffusion of forage growing, the improvement of pastures and meadows, teaching the principles of healthy cattle-feeding, the better utilization of forage, the construction of sylos, the erection of breeding studs, the use of pedigree books, the control of milk production, live-stock exhibitions and competitions, and so forth. The Ministry of Agriculture revises and co-ordinates these programmes and grants each year adequate contributions for their execution, according to the conditions and needs of live-stock breeding in each province, and the amount contributed by local institutions.

VIII. — Italy is the land of first-fruits, the great natural conservatory of Europe, enjoying a mild climate favourable to every kind of early growth. The progress achieved in fruit and vegetable growing has been great since 1900, and especially since the war. In building up our great fruit trade, the needs of the home market have not been neglected, but at the same time efforts have been made to win the international markets, which require fruit and vegetables of first-rate quality; and by now our fruit and vegetable exports approach the value of 2 thousand million lire yearly.

Now, the *sine qua non* of successful exportation is that the goods despatched shall be wholesome, of a high standard of quality, clean, properly graded and very well packed. By conforming to these conditions, high-class farm businesses have won a place in the international markets; production and exportation co-operative societies have successfully placed their goods abroad, while the farmers have redoubled their efforts to produce goods better adapted to varying and increasingly exigent demands.

The Government has encouraged these worthy efforts of private initiative by a whole series of laws, intended to regulate the exportation of fruit and vegetable produce; laws which we have no need to expound in detail here. ( It will suffice to mention the creation by the Government of the National Exportation Institute, which safeguards Italian fruit and vegetable produce and aims at organizing, regulating, and guiding the efforts of the cultivators, and at achieving new successes in the free and fertile sphere of international trade. )

IX. — The wide-spread activity in the scientific technique of production and trade above briefly described is inspired by a comprehensive vision of agrarian, economic and social policy, based on a scheme in course of execution, and culminating in the synthetic and unifying conception of the « *bonifica integrale* », or complete reclamation of the land.

Here again we need not illustrate the vast legislative work of the Fascist Government, thanks to which the conception and the comprehensive scheme of the complete reclamation of the land has been gradually but surely

taking definitive form: the subject is of such vital importance that it forms the object of a special study in this publication by my worthy friend and collaborator, Signor Serpieri, who presides over the work of reclaiming the land. I shall therefore limit myself to observing that from the original, narrow conception of reclamation, concerned solely with draining and recovering marshy areas, we have come to the conception of the total transformation of a given territory (marshy or not marshy) with all the means needed to make it fit for intensive cultivation, these means naturally varying according to the actual circumstances at the start and the final aims. In short, it is a question of *completely reclaiming* the territory, that is to say, providing it with the permanent technical equipment necessary to fit it for intensive production and to render it capable of supporting the densest possible population by the best use of the land and the water. (The great work of reclaiming the land was crowned by the Mussolini Act of December 24, 1928, No. 3134, with the special purpose of supplying the financial means for giving the work of reclamation a steady and consistent development, capable of growth from year to year; above all, this Act has gathered together under a single ideal and aim the numerous old and new regulations, thus creating a powerful instrument for the development of the country's resources. )

X. - Under the pressure of the demographic increase in the last years preceding the war, a state of warfare between man and the forests had declared itself. Man, in his daily struggle for life, being in need of land to work on and to supply his needs, destroyed the forests, which he viewed as something hostile to his prosperity, by fire, and axe, and by turning them into grazing lands. Thus, notwithstanding the laws that protected the woods and all steep slopes, our forests were making room more and more for pasturage and casual cultivation, without any attempt being made to prepare the land properly. As a consequence, torrent and flood disasters in mountainous or hilly areas steadily increased, and constituted a continuous menace to the fertile plains below.

With the Forest Act of 1923, Fascism proposed to ensure the stability of the soil as well as the good preservation and extension of our forests, with the ultimate aim of regulating the supply of water. How much has been achieved by the Regime through this Act and by further protective measures is shown in a separate chapter by Arnaldo Mussolini, Honorary President of the National Forestry Committee.

XI. - The impetus given by the National Government to agriculture necessitated some solution of the problem of Agrarian Credit, to give Italian agriculture the support of powerful machinery capable of raising national production to a high level. The R. D. of September 30, 1923 (no. 3139) is undoubtedly a courageous attempt to solve the difficult problem of the financing of operations depending on Land Credit.

The salient feature of this reform is that, by decree of the Minister of National Economy, Institutes doing business in Land Credit may be authorized to issue bonds granting mortgage loans for the purposes of land and agricultural improvement, on the condition that they institute special self-governing sections with their own capital. And to facilitate the issue and sale of these bonds it was arranged that the State should aid in the payment of annual interest on the loans up to a limit of 2.50 %.

For this purpose 4 million lire were appropriated on the National Budget in the financial year 1924-25, to be increased by 4 millions in each successive year, up to a maximum of 40 million lire annually.

In spite of this generous help, no real success was achieved by the scheme, so that in the financial year 1926-27 it was found expedient to cancel the assignment of the state funds appropriated to the payment of the government contribution to these loans.

The reason for this failure is above all to be ascribed to the fact that institutes of ordinary land credit lack any organization fit to cope with the new function. For operations of agrarian credit an adequate organization is necessary to study the economic and technical aspects of the works for which loans are granted, and to control the actual execution of the works. On the other hand, the conditions of the market did not allow of a large subscription to these agrarian bonds, nor were the loans themselves acceptable to the farmers, who were obliged to calculate beforehand the difference between their nominal and current value.

A rational and thorough reform of agrarian credit law was badly needed; and this was effected by the R. Decree Law of July 29, 1927. First of all the law divides all operations of land credit into two categories: loans for current work and those for improvements, including in the second category operations of crop improvement and of actual land improvement. For the farming credit, which coincides in length with the agricultural year, the loan generally takes the form of *agrarian bills*, which must contain an indication of the aim of the loan, of the property to which it refers and of the special guarantees securing it. Improvements credit, aiming at radical changes of cultivation and the full development of the land, takes two forms: bills of exchange for short-term loans, and special loan contracts for loans covering a long period, with the offer of sufficient guarantees, usually mortgage, but also of other kinds, among which there is the guarantee of the *privilegio agrario convenzionale* (agreed Agrarian Privilege) on movable property (produce, goods and live stock), which is particularly to the advantage of lessees who have nine-year contracts, or contracts covering a longer period, as it enables them to effect improvements. And for these improvement operations the Ministry of National Economy assists in the payment of interests, as regulated by the Ministry itself within the maximum limit of 2.50 %.

Institutes authorized to grant agrarian credit are divided into two

categories. The first includes those specially designated for the purpose: i.e. all bodies organized to grant agrarian Credit, such as the Agrarian Banks and the Wheat and Money Loan Banks (*nummari*), now converted into Communal Banks of Agrarian Credit. In the second category are included Saving Banks, Pledge Banks, Agrarian Institutes, commercial and co-operative Credit Banks, legally constituted Agrarian Associations, the National ex-Service Men's Institution, Land Credit Institutes and the National Banks for Social Insurances. Lest the work of these Institutes should tend to develop in different ways in different regions and fail to correspond to the farmers' needs, there have been created special regional groups, entrusting to a particular body the task of guiding, co-ordinating and supplementing for each group the local credit operations in favour of agriculture.

Moreover, since the above mentioned Institutes, although authorized to grant credits for improvements, could not develop the operations on an adequate scale without exhausting their available funds, there has been established a National Consortium for Agrarian Improvements' Credit, to finance all those operations of agrarian improvement and reclamation that cannot be aided, for the reasons above indicated, by their local institutes. The Consortium is empowered to issue interest-bearing bonds, both inscribed and payable to the bearer, to be repaid over a period not exceeding five years, besides inscribed and bearer bonds redeemed by drawing lots. In addition to the Government, 53 Institutes – powerful semi-official financial bodies among others – are concerned in the Syndicate, which has an initial capital of 270 million lire.

Roughly speaking, this summarizes the devoted, beneficent, and really creative work of the Fascist Regime in favour of national agriculture. Certain aspects of the picture have necessarily been overlooked; but we trust that even this rapid, comprehensive sketch may give an impression of the zealous fervour that inspires this work, so full of comfort for the present and of promise for the future.

Recently the Head of the Government united and co-ordinated under one Ministry, that of Agriculture and Forests, all administrative activities directed towards the agricultural progress of the Nation, hitherto divided up – especially as regards land reclamation and irrigation – between several State Administrations. This measure does not merely aim at co-ordinating the work and bringing it under a single control, but is also a recognition of the primary position that agriculture holds in the national life and general policy of the Government.

( It should be clearly realized that Mussolini's rural policy is not narrowed to the interests of the farming class and agricultural economy alone; it extends beyond and above this, and is one with his action in national economy as a whole and with his moral teaching; it is of the essence of his social and political policy. )



If carefully considered, not only the policy of agrarian development, but demographic policy, the restriction of emigration, and, more particularly, the assiduous work of restoring moral values and the simple ancestral virtues of which the race is proud, really owe their inspiration and progress to the new rural conception, and have the fresh and revivifying breath of the fields about them. Far from the sceptical and tumultuous cities, the weary and exhausted spirit of our day seeks the country for serenity and repose, and beholding vast horizons, peaceful furrows, and the fertile and tranquil interchange of seasons, regains serenity and unsophisticated kindness, and accepts the simple but eternal laws of life and duty.

The dark and mysterious earth yields other gifts than harvests: it gives birth to renunciation, self-sacrifice and industry, the loftiest and noblest expressions of the human spirit; it inspired with heroic strength the humble men of the fields when the invaders were hammering at the gates of Italy.

*Lungo il paterno fiume arava un uom libero i suoi  
pingui iugeri, in pace.  
Sotto il pungolo dura anelava la forza dei buoi.  
Grande era l'uomo all'opra, fratello degli incliti eroi,  
col piede nel solco ferace.  
Italia! Italia!*

*La vittoria piegò verso le glebe fendute il suo volo...*  
.....  
*Il vomere, attrito nel suolo,  
balenò, come un'arme.*

The vision of Gabriele D'Annunzio is transformed into actual life; Fascism seeks and finds in the fields the purest and freshest spiritual reserves of the nation, and gathers and diffuses these forces to revive new energy and poetry in the soul of the people.

# INTEGRAL LAND RECLAMATION

by ARRIGO SERPIERI, *Under Secretary for Land Reclamation*

I. INTEGRAL LAND RECLAMATION. — (The integral reclamation of the land is one of the fundamental enterprises of the Regime. It is the outcome of the conditions of Italian economics and of the will of Fascism.)

A dense population confined within a circumscribed territory, poor in natural resources ; a Nation desirous of growing in power and of spreading Italian ideals throughout the world, must of necessity create new centres of intensified rural life, in order to increase the revenues of the Nation and fortify the healthy and prosperous family life of the country against the destructive forces of the towns.

It is this that the reclamation of the land aims at. Hence the necessity of providing the land with a permanent equipment without which it cannot be made ready to receive, together with a better use of the land and the water supplies, intensive systems of land production, and offer a living to a denser population, firmly attached to the land.

Works of all kinds are necessary for the achievement of the ends in view, both in cases of joint ownership and of single ownership: engineering works and technical forest and agricultural works, for the recovery of the land, for hygienic protection, for the formation of centres of rural population and buildings, for the upkeep of the roads, for the protection of the water supply and the utilization of water-energy, for reforestation and other work, for agricultural settlement and the improvement of the land.

But it matters not what combinations it has been necessary to have recourse to for these works on the land, which are all characterized by the investment of capital at long date; they are only a means towards the attainment of the purpose mentioned above.

Land reclamation becomes *integral* reclamation when the whole of the enterprises necessary for the new order of land production demanded by the economic, moral and political aims of the Nation, have been carried out.

II. LEGISLATIVE EVOLUTION OF THE RECLAMATION SCHEME. — Before the Fascist Revolution, Italian legislation pertaining to public works was concerned with special aims of common interest, having as their object separate categories of works, classified according to their several technical characteristics and considered capable of yielding individually definite profit.

In the particular domain of land reclamation, the law of the 22nd March 1900, No. 195, marked the beginning of the direct intervention of the State in carrying out and financing the cost of the enterprises undertaken for the purpose of reclaiming the land from malaria. This

law attaches greater importance to the hygienic problem than to the agricultural problem and it entrusted both to voluntary and to obligatory associations the operating of the remaining reclamation enterprises of no particular hygienic interest.

Fascist legislation, adapting itself to the total needs of the Nation, had to set itself, as its first duty, the task of reaffirming the national character and value of public works, and their intimate relationship to the demands of economy and community life.

Hence the abandonment of single enterprises of personal interest for a higher and fuller vision, which views them as instruments of productivity, means of fully developing National resources, and therefore elements to be framed in an organized system of provisions responding to national exigencies.

The principle which coordinates the different classes of works to an all-embracing vision of the problems connected with them, has gradually been affirmed in all legislation relating to public enterprises since the war.

In particular the Land Reclamation Bill, in virtue of the Consolidating Act of December, 30, 1923, no. 3256, has been notably enlarged, and is no longer restricted to enterprises concerned with the stagnation of waters and the permanent restoration of the land, as contemplated in the beginning by Italian legislation. The law has included in the drainage operations and itself supervises other accessory works, destined to assure, through the settlement of the mountain and valley basins, the hydraulic success of reclamation; to guarantee by means of minor works the hygienic efficacy of drainage, and finally to put in hand other plans of land improvement, by improving communications, by irrigation, and by supplying the reclaimed land with drinking water.

In addition to these state enterprises on which the possibility of proceeding to the development of the hydraulically systematized lands depends, the law also guarantees the completing of the drainage works by means of private enterprises for the improvement of the land, for agricultural purposes, the burden of which, however, weighs entirely on the owners.

In order to coordinate with each other these two stages of reclamation so indispensable to the transformation of the land, and to unite the task in a sole enterprise, the law gives the preference to owners and associations in the execution of public works and it operates these preferably through a system of *concessions* by means of which the State delegates part of its activities to those most interested in the restoration of the land, and most likely to carry it out economically.

In the case of enterprises concerning the improvement of single landed properties, of private interest, the State is entitled to fix the period within which private owners must transform the productive arrangements of their lands, assisting them with gratuitous loans, or replacing them by means of expropriation when in default.

Together with the problem of marshy plains, mountain problems also have been met with broad criteria. The fundamental idea of the old law of 1877 was transformed by the law of December 30, 1923, No. 3267, in order to provide for mountain restoration, not only by their reclamation and reforestation, but also by means of agricultural systematization and the improvement of mountain pasture lands.

The project for the total reclamation of land – understood as the settlement of an entire basin from the mountains to the plains, and as the productive development, so to say, of an entire territory – was confirmed by the Royal Decrees May 19, 1924, No. 753, and May 29, 1925, No. 2464, by which State intervention is extended from the marshy zones to include all territories where the physical-economic conditions prevent intensive cultivation. The idea of single public enterprises is also replaced by a scheme of *reclamation districts (comprensori)* in the interests of which they have to cooperate.

The new provisions of these decrees provide, in fact, for the recovery of the land in districts of great public interest owing to the possibility of an increment of their productive value. They also vest the state with a new function; namely that of operating – usually through *concessions*, while itself meeting the cost of the work – all public enterprises necessary for the recovery of the land, as well as all works of agricultural drainage and of settlement schemes in which several farms are concerned.

The law is based on the supposition that the recovery of the land demands a vast organization of co-ordinated activities and enterprises.

And while it is left to the State to decide which districts are to be reclaimed and to sanction all plans for the recovery of these, the enterprises themselves are operated by those owners who have a personal interest in the total reclamation of the land.

Only when local interests remain inactive does the law offer to other enterprises the possibility of expropriation, provided the land to be expropriated is susceptible of important cultural changes or industrial utilization.

The State aims also at making these changes advantageous to the grantees, by settling on the whole enterprise a subsidy sufficient to cover any private deficits.

It is due to such provisions that numerous tracts of plain, and hilly or mountainous lands, outside the swampy districts, either unproductive or only slightly productive, will be reclaimed, and that a new land organization will be introduced in the country responding more closely to the demands of the life of the Nation.

The law of July 29, 1925, No. 1315, sanctioned new provisions to encourage the clearing of the ground, motor-ploughing and electro-farming, while the law of February 7, 1926, No. 193, for the first time recognized

the necessity of helping farmers to live on their farms by promoting the building of rural centres.

Moreover, as the improvement of agricultural economy is impossible so long as the crops are exposed to repeated periods of drought, the laws of May 20, 1926, No. 1154, and August 13, 1926, No. 1907, have reformed the legislation in regard to works of irrigation by increasing government loans for works of public interest, facilitating the formation of Corporations, compelling the owners to utilize irrigation improvements and establishing fair prices for water supplies.

Nor have minor agricultural improvements been neglected. The law of June 16, 1927, No. 1042, in fact, providing for the increase of cereal culture, has authorized State grants for the agricultural systematization of the land, for the construction of rural buildings, of private farm roads, and of watering plants, in those districts where the increase of food-products is conditional to agricultural systematization.

Meanwhile the machinery of land and agricultural credit has been improved and since the act of December 13, 1923, No. 3139, which provides for generous State contributions towards the cost of loans for the recovery of the land, the act of July 29, 1927, No. 1509, has organized new credit establishments on a sounder and more rational basis, by founding special syndicates for the administration of land improvement credit.

III. **THE IMPORTANCE OF THE MUSSOLINI ACT.** — The most important contribution to the development of the rural policy of the Regime was the Act of December 24, 1928, relating to the integral reclamation of the land, which law represents the greatest effort of the State towards the full development of the land and the greater efficiency of rural life.

The peculiar merit of this law, which is called after the Duce, is that it sums up previous legislation and makes of it a more efficacious instrument for favouring the resettlement of the country: the basis of the moral and economic renewal of the Nation.

It crowns the legislative program by tackling the problems connected with the supply of drinking water, the building of roads for farming purposes, rural constructions and hamlets, all of which had been greatly neglected by former legislation, which inclined towards the towns.

In order to encourage the rational distribution of population, not neglecting those regions generally shunned by the farmers owing to the lack of comforts indispensable to civilized life, the law assures a contribution of 75 % of the total cost of works for conveying drinking water to isolated rural buildings or to groups of rural buildings, even if they are outside the districts subject to reclamation; it also provides for contributing 40 % of the total cost of works destined to collect and gather water, in the interest of several farms.

At the same time it authorizes the building, in Southern Italy and the Islands, under the reclamation law, of roads which though not serv-

ing formerly marshy lands, promote the cultivation, or the more intense cultivation, of districts in backward agricultural conditions. It also allows for a subsidy of 40 % all over Italy towards the cost of building and reconditioning roads used for carrying products to market with less loss of time.)

Apart from provisions of a general character and the contributions provided for by the Act of February 7, 1926, No. 193, relating to the building of workmen's houses, and by the Act of June 16, 1927, No. 1042, relating to the increase of cereal-cultivation, the Mussolini Act has allotted to Southern and Insular Italy state contributions up to 30 % of the cost for building rural hamlets, and also isolated buildings, provided they be strictly inherent to the aims of the reclamation law.

A second class of provisions relating to the Act of December 24, 1928, (No. 3134) aims at drawing up a plan to regulate the operating of the great enterprise for the full development of national lands. By means of new appropriations of considerable value to be entered in the State Budget for the payment of State subsidies, the law provides for carrying out, in the shortest time allowed for by technical possibilities and by the availability of manual labour, of a number of new works to the amount of *seven milliards*.

Description of works	Cost of works (millions) of lire	Fulfillment of program (years)	Percentage of contributions	State burden (millions)	Annuity for 30 years 7.25% basis for each million lire of works
Drainage and accessory works . . .	4,500	14	68 (mean)	3,060	53,500
Irrigation independant of reclamation operations in Southern Italy and Islands . . . . .	300	14	42.5 »	204	33,000
Irrigation independant of reclamation operations in Northern and Central Italy . . . . .	500	8	40.— »	200	31,500
Hamlets and rural buildings in the South and the Islands . . . . .	500	8	27.— »	340	21,200
Rural aqueducts . . . . .	200	7	75 (fixed)	150	59,000
Farm roads and drinking water supplies . . . . .	1,000	14	40 (max.)	400	31,500
	<u>7,000</u>			<u>4,354</u>	

The total amount has been estimated at *four and a half milliards* for drainage works and accessory irrigation works, road-making, and gathering of drinking water (art. 2), at *three hundred millions* for irrigation works independently of drainage works in Southern Italy and the Islands (art. 2); at *five hundred millions* for similar enterprises in Northern and Central Italy (art. 7); at *five hundred millions* for the building of rural hamlets and isolated buildings in Southern Italy and the Islands (art. 5); at *two hundred millions* for rural aqueducts (art. 3); and at *one milliard*

for the building and re-opening of farm roads and for water supplies to several owners (art. 8).

Only in the case of electric plants for agricultural purposes subsidized under the Act of July 29, 1925, No. 1315, has it been impossible, owing to the nature of the work, to adhere to a definite working plan. The amount of the burden the exchequer will have to defray for the execution of the whole of the work contemplated in the extensive scheme is given summarily in the preceding prospectus.

The Mussolini Act is a milestone in the history of the Nation.

IV. THE INSTITUTION OF AN UNDER-SECRETARYSHIP FOR THE INTEGRAL RECLAMATION OF THE LAND AND THE NEW LOCAL BUREAUS. – The enforcement of the Reclamation Act was at first entrusted to two separate Ministries: the Ministry of Public Works, which by means of drainage measures and through the institution of Commissioner Bureaux (*Provveditorati*) for the Public Works of the South, has displayed an intense activity in favour of the recovery of Italian soil; and the Ministry of National Economy, entrusted with the supervision of irrigation works in Northern and Central Italy and with all measures for the increase of agricultural production.

On the other hand, the division of labour involved a deplorable waste of energy.

The scale of the work to be accomplished demanded that the services inherent thereto should be unified and made more efficient. The Regime has provided for this need by pursuing its programme for the unification of state action.

To that end, the R. Decree of September 12, 1929, No. 1661, re-organized the Ministry of National Economy, by transforming it into the Ministry of Agriculture and Silviculture and by creating a State Under-Secretaryship for integral land reclamation. The R. Decree of September 27, 1929, No. 1726, passed on to the new central bureau all services pertaining to the Administration of Public Works.

Having thus created a central administration and inspection bureau, it was necessary to provide for regional and provincial services by remedying the want, often deplored, of local organs of Agricultural Administration and by ensuring the harmonious collaboration of the three technical services – Civil Engineering, Forest Militia, and Agrarian Militia – for the co-ordinated solution of problems connected with the land.

For this purpose the R. Decree of November 18, 1929, No. 2071, while retaining the system of Travelling Agricultural Chairs, instituted in each Province a technical Committee, composed of the Head Engineer of Civil Engineering, of the Head of the Agricultural Chairs, and of the Commander of the cohort or century of the National Forest Militia, with the task of co-ordinating the programme of the activities and

enterprises to be carried out by the three services for the Integral reclamation of the land.

Regional agricultural inspectors have also been appointed to enable the new Bureau to coordinate and control, from a technical standpoint, the activity of the Travelling Chairs of Agriculture and of local offices and bureaus in general. These inspectors are also entrusted with the examination and approval of schemes, with the supervision and approval of works and, up to a certain limit, with the granting of loans for agricultural enterprises aided by the State.

Thus, by means of the co-ordinated activity of the new technical bureaus, directed by a single central bureau, hydraulic, agrarian and forest problems are no longer studied separately, but are solved in such a way as to meet the requirements of the problem for the improvement of our land economy: and the idea of complete reclamation receives full application in the bureaus entrusted with carrying it out.

V. LAND RECLAMATION ASSOCIATIONS. – The State Organs, however co-ordinated and unified, would never succeed in attaining their object, viz. the fullest development of the land, if they could not rely, to a great extent, on private initiative.

In the complex reclamation programme, alongside of enterprises of common interest pertaining to the State, are those of private interest belonging to the parties concerned. Their strict interdependence binds these enterprises together from a technical and an economic standpoint. It is therefore indispensable that they should not only be co-ordinated, but that they should be entrusted to the same executive power.

As it is not possible for the State to operate enterprises of private interest, the law has recourse to *concessions*, making them the principal means of operating public works required for integral land reclamation, and generally granting them to owners organized in associations.

The State promotes the formation of associations of private individuals. It authorizes the formation of associations even when the proposal of those interested in the enterprise receives the vote of approval of a proportion, representing only one fourth of the surface of land included in the district to be reclaimed.

Thus, at the centre of the system for carrying out integral reclamation, we have the association of all the parties concerned – an admirable system within which both public duties and private interests cooperate. For the Reclamation Association is not a simple private association, but a public corporation, to which the State delegates part of its powers, part of its prerogatives and part of its tasks, in view of the public aims to be attained. On the other hand, according to recent stipulations, Reclamation Associations may take over from private owners the task of executing land improvements in their interest.



Thus public and private interests collaborate in this field also, in harmony with the general policy of the Regime.

Nor are the associations abandoned to their own devices, without aid or advice. The Act of April 26, 1928, No. 1017, establishing a National Association of Reclamation and Irrigation Corporations, has assigned to it the clearly defined task of promoting, aiding, and supervising all activities aiming at increasing the productiveness of the soil by means of land reclamation.

In a short space of time, the National Association, guided by capable men full of zeal and faith, has accomplished a truly meritorious work, ensuring beneficial administrative, technical, and financial help to all parties concerned.

As a result of the new organization of the integral reclamation service, the National Association has been placed under the control of the State Under-Secretaryship, which has also undertaken the presidency of the Mountain Secretaryship, which carries out a similar task of assistance in the mountain systematization field.

VI. THE RESULTS OBTAINED IN THE LAST FOUR YEARS, TAKING INTO SPECIAL CONSIDERATION THE FIRST YEAR OF THE ENFORCEMENT OF THE MUSSOLINI ACT. — Let us give a rapid glance to what has already been accomplished towards the reclamation and improvement of the land.

On a surface of 31 million hectares Italy has over 2,300,000 liable to drainage.

Over 700,000 hectares have been reclaimed. Half of these, however, still call for the building of roads, houses and water conduits, to guarantee the results of drainage and to permit a more profitable cultivation of the soil.

Some 1,200,000 hectares are being drained, and drainage operations have still to be begun on another 1,485,000 hectares.

The activity displayed by the Italian Government in this field may be summed up in the following comprehensive figures, corresponding to the total amounts, in capital, of the enterprises undertaken from the beginning of the United Kingdom till today.

Reclamation enterprises operated directly by the State	L. 1,025,800.000
Reclamation enterprises assigned to associations of owners or to single parties	. . . . . L. 2,930,199.026
Total	. . . L. 3,955,999.026

The direct execution of reclamation works by the State has been gradually decreasing while, on the contrary, concessions have been steadily increasing: so much so, that in these last years the direct intervention

of the State has been restricted to the upkeep of the works and to a few other enterprises.

A sign of the increase of reclamation of marshy lands may be gathered from the development of concessions, summarized as follows:

**RECLAMATION OPERATIONS UNDERTAKEN BY CONCESSIONARIES FROM THE UNIFICATION OF THE KINGDOM TO JUNE 30, 1930.**

REGION	Concessions granted during the said period		Part of the said concessions granted by the Fascist government	
	Cost of works	State contribution	Public Works Dept.	Under-Secretaryship for Land Reclamation
Venetia Tridentina . . . . .	8,303,800	5,314,432	8,303,800	—
Julian Venetia . . . . .	31,944,089	20,444,216	31,954,089	—
Venetia Eug. . . . .	560,779,581	358,898,931	331,754,248	59,502,927
Piedmont . . . . .	606,496	388,157	—	—
Lombardy . . . . .	263,753,385	168,802,166	166,062,270	49,582,042
Emilia . . . . .	1,123,628,537	719,122,260	499,144,001	81,254,425
Tuscany . . . . .	68,396,088	47,877,261	42,045,775	13,667,169
Umbria . . . . .	1,190,000	761,600	—	—
Latium . . . . .	236,552,410	177,414,307	138,173,452	21,128,249
Abruzzi . . . . .	775,750	58,812	—	—
Campania . . . . .	78,942,174	59,206,630	65,818,911	8,749,000
Apulia . . . . .	72,109,044	54,081,783	56,942,993	15,166,051
Basilicata . . . . .	15,625,980	11,719,485	—	15,625,980
Calabria . . . . .	282,841,024	212,130,768	210,699,721	72,141,303
Sicily . . . . .	25,811,389	19,358,541	23,166,396	2,644,993
Sardinia . . . . .	158,939,279	119,204,459	102,441,163	47,032,834
<b>TOTAL LIRE</b>	<b>2,930,199,026</b>	<b>1,975,306,808</b>	<b>1,676,506,819</b>	<b>386,494,973</b>

The gradual intensification of concessions is seen even more clearly by their development in the last four years.

**RECLAMATION WORKS UNDERTAKEN BY CONCESSIONARIES FROM JULY 1, 1926, TO JUNE 30, 1930.**

REGION	1926/27	1927/28	1928/29	1929/30	Total
Venetia Trident.	7,000,000	—	1,304,000	—	8,304,000
Julian Venetia . .	—	21,154,800	6,399,289	4,400,000	31,954,089
Venetia Eug. . . .	41,117,488	71,976,215	61,020,343	84,801,430	258,915,476
Lombardy . . . . .	29,365,789	34,822,667	47,215,956	49,800,660	161,205,072
Emilia . . . . .	58,700,121	167,974,097	92,612,366	151,507,100	470,793,684
Tuscany . . . . .	4,397,760	2,502,826	1,017,269	16,783,090	24,700,945
Latium . . . . .	9,968,716	39,703,201	53,067,144	124,707,079	237,446,140
Campania . . . . .	7,876,000	3,767,000	9,578,900	45,239,850	66,461,750
Apulia . . . . .	9,932,000	14,464,691	13,194,335	18,392,838	55,983,864
Basilicata . . . . .	—	—	—	15,625,980	15,625,980
Calabria . . . . .	—	118,687,954	92,011,762	72,141,308	282,841,024
Sicily . . . . .	1,857,948	159,840	—	18,099,688	20,117,476
Sardinia . . . . .	961,000	12,933,750	21,960,631	48,164,938	84,020,296
<b>TOTAL LIRE</b>	<b>171,176,822</b>	<b>488,147,041</b>	<b>409,381,995</b>	<b>649,663,938</b>	<b>1,718,369,796</b>

**CONTRIBUTIONS GRANTED FOR IRRIGATION WORKS AND WATER EXPLORATION  
FROM 1<sup>ST</sup> JULY 1926 TO 30<sup>TH</sup> JUNE 1930.**

TERRITORY	Applications lodged					Grants and Subsidies made			
	for Irrigation Works			for Water Exploration		for Irrigation Works			for Water Exploration
	Applica- tions	Area to be irrigated Hectares	Estimated Cost in thousands of lire	Applica- tions	Estimated Cost in thousands of lire	Irrigated area hectares	Expenses allowed by Grants in thousands	Grants made thousands of lire	Subsidies granted
<b>FINANCIAL YEAR 1926-1927</b>									
North Italy . . .	188	42.158	66.581	50	1.200	5.333	6.975	2.981	381
Central Italy . . .	88	1.184	6.477	15	400	1.110	3.269	1.334	115
South Italy and Is- lands . . . . .	334	5.933	30.052	150	2.300	1.998	8.965	3.543	351
<b>Total for Kingdom</b>	<b>610</b>	<b>49.275</b>	<b>103.110</b>	<b>215</b>	<b>3.900</b>	<b>8.441</b>	<b>19.209</b>	<b>7.858</b>	<b>847</b>
<b>FINANCIAL YEAR 1927-1928</b>									
North Italy . . .	815	54.038	94.013	40	960	2.774	5.504	2.233	300
Central Italy . . .	254	5.420	21.231	10	200	1.574	5.502	2.380	57
South Italy and Is- lands . . . . .	501	5.155	40.202	240	4.500	2.970	16.138	5.909	464
<b>Total for Kingdom</b>	<b>1.570</b>	<b>64.613</b>	<b>155.446</b>	<b>290</b>	<b>5.660</b>	<b>7.318</b>	<b>27.144</b>	<b>10.522</b>	<b>821</b>
<b>FINANCIAL YEAR 1928-1929</b>									
North Italy . . .	1.298	70.426	174.422	85	1.408	4.740	12.224	4.445	292
Central Italy . . .	393	10.895	41.585	38	582	1.183	4.641	1.652	114
South Italy and Is- lands . . . . .	936	11.280	79.651	423	12.774	10.818	47.879	17.583	895
<b>Total for Kingdom</b>	<b>2.627</b>	<b>92.601</b>	<b>295.658</b>	<b>546</b>	<b>14.764</b>	<b>16.741</b>	<b>64.744</b>	<b>23.680</b>	<b>1.301</b>
<b>FINANCIAL YEAR 1929-1930</b>									
North Italy . . .	1.296	59.461	132.680	97	2.267	44.289	63.644	27.098	665
Central Italy . . .	475	13.704	46.183	65	1.626	2.357	9.686	3.497	168
South Italy and Is- lands . . . . .	1.566	11.657	74.027	755	11.606	3.510	16.132	6.290	1.111
<b>Total for Kingdom</b>	<b>3.337</b>	<b>84.822</b>	<b>252.890</b>	<b>917</b>	<b>15.499</b>	<b>50.156</b>	<b>89.462</b>	<b>36.885</b>	<b>1.944</b>
<b>GRAND TOTAL . .</b>	<b>8,144</b>	<b>291,311</b>	<b>807,104</b>	<b>1,968</b>	<b>39,823</b>	<b>82,656</b>	<b>193,599</b>	<b>78,965</b>	<b>4,913</b>

In less than 10 months' activity, the Under-Secretaryship for integral land reclamation has granted concessions for drainage enterprises amounting to L. 386,494,973, while there are other works in progress for over one and a half milliards.

This activity represents only one part of the first application of the Mussolini Act. The Act entitles the State to undertake, in the coming financial year, the payment of a 30 millions, in annuities for contributions to drainage enterprises to be operated by concession, including mountain systematization and irrigation works connected therewith; to this annuity sum correspond works amounting to about 535 millions. The Under-Secretaryship has already decided upon the choice of these works, in order to make the concessions within the limits of time established by law. A new and impressive body of works will thus prepare new lands for agricultural cultivation.

The work of systemizing mountain areas and deepening basins exercising an influence on the regulation of the great rivers has been carried on intensively on parallel lines with the recovery of the marshy lands.

The criteria, however, on which this systematization is based are radically changed, as mountain basins are no longer classified as territories physically and economically independent of the neighbouring plains. The work of mountain systematization has therefore become part of the work of land reclamation.

Hence the deepening of the basins is provided for together with the improvement of mountain pastures and the utilization by means of arboriculture of the lands refilled and the work of mountain systematization proceeds in parallel lines with the drainage of swampy plains.

Since the enactment of the fundamental laws of May 20, 1926, No. 1154, and August 17, 1926, No. 1907, a new period of prosperity has begun for irrigation works, now a magnificent reality, opening the way to more intense agrarian cultivation.

The figures of the preceding statistics, relating to the grants authorized in the last four years for irrigation works and water exploration, may be consulted in proof of what has been stated.

Especially important are the grants accorded under the Act of June 16, 1927, no. 1042, to average and small owners, tenants on long lease, and land managers, situated in districts less advanced agriculturally, for the systematization of the land, the building of farm roads, farm-buildings and watering-places.

So far some 1,100 applications for works amounting to 40 millions and a half have been approved and as many more again are under approval, as may be seen from the following tables.

Other facilitations will be granted on the basis of article 8 of the Mussolini Act; and numerous applications for help in the building and upkeep of farm roads and for water supplies interesting several owners are already being considered. The State allows similar grants in the proportion of not more than 40 % of the cost.

GRANTS MADE UNDER THE LAW OF 16<sup>th</sup> JUNE 1927 (No. 1042) ON LAND SYSTEMIZATION.

REGION	APPLICATIONS										TOTAL			
	1928					1930					Number of Applications	Value of the Projects approved Lire	Value of Grants made Lire	Value of Grants made Lire
	Number of Applications	Value of the Projects approved Lire	Value of Grants made Lire	Number of Applications	Value of the Projects approved Lire	Value of Grants made Lire	Number of Applications	Value of the Projects approved Lire	Value of Grants made Lire					
Piedmont . . . . .	—	—	—	—	—	—	7	329,400	65,880	7	329,400	65,880	65,880	
Liguria . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	
Lombardy . . . . .	—	—	—	1	4,380	—	7	179,500	35,900	8	201,400	40,280	40,280	
Venetia Tridentina . . . . .	—	—	—	—	—	—	3	144,200	28,840	3	144,200	28,840	28,840	
Venetia . . . . .	—	—	—	22	68,078	340,390	71	1,015,400	198,880	93	1,355,790	266,958	266,958	
Julian Venetia and Zara . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	
North Italy . . . . .	—	—	—	23	72,458	362,290	88	1,668,500	329,500	111	2,030,790	401,958	401,958	
Emilia . . . . .	—	—	—	1	3,600	18,000	16	535,110	101,886	17	553,110	105,486	105,486	
Tuscany . . . . .	—	—	—	31	544,070	2,352,300	91	3,018,000	700,715	122	5,370,300	1,244,785	1,244,785	
Marches . . . . .	—	—	—	1	1,260	6,300	22	1,434,300	285,130	23	1,440,600	286,390	286,390	
Umbria . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	
Latum . . . . .	—	—	—	70	674,235	2,887,400	143	6,193,900	1,483,825	213	9,081,300	2,158,060	2,158,060	
Central Italy . . . . .	—	—	—	103	1,223,165	5,264,000	272	11,181,310	2,571,556	375	16,445,310	3,794,721	3,794,721	
Abruzzi and Molise . . . . .	5	86,300	21,575	107	886,224	3,680,700	198	5,724,000	1,358,565	310	9,491,000	2,266,364	2,266,364	
Campania . . . . .	—	—	—	21	741,900	1,76,020	112	5,198,350	1,195,658	133	5,940,250	1,371,678	1,371,678	
Apulia . . . . .	47	2,335,356	523,188	98	7,378,080	1,720,535	317	9,904,900	2,155,297	462	19,618,336	4,399,020	4,399,020	
Basilicata . . . . .	16	696,400	174,100	86	3,235,300	764,970	154	6,427,700	1,367,165	256	10,359,400	2,306,255	2,306,255	
Calabria . . . . .	6	146,000	21,990	84	2,481,300	616,260	119	2,273,800	520,950	209	4,901,100	1,159,200	1,159,200	
Sicily . . . . .	66	2,233,314	536,892	410	11,207,455	2,682,560	501	14,545,200	3,410,148	977	27,985,969	6,629,600	6,629,600	
Sardinia . . . . .	3	56,913	13,778	25	547,600	125,545	70	2,606,280	626,955	98	3,210,793	766,278	766,278	
South Italy and Islands . . . . .	143	5,554,283	1,291,523	831	29,272,335	6,972,114	1471	46,680,230	10,634,738	2445	81,506,848	18,898,375	18,898,375	
TOTAL . . . . .	143	5,554,283	1,291,523	957	34,898,625	8,267,737	1831	59,530,040	13,535,794	2931	99,982,948	23,095,054	23,095,054	

A new impulse has been given to rural building, by the granting, under the Workmen's Buildings Act and the R. Decree of October 2, 1921, No. 1332, of loans for the building of farm houses, the State contributing to the payment of interests. In the five years from 1926 to 1930, over 50 millions' worth of loans have been granted by Credit Banks to farmers, as shown on the following page.

These measures have been completed by means of contributions up to 30 % of the cost, as authorized by art. 5 of the Mussolini Act, for the building of rural hamlets and isolated buildings in Southern Italy and the Islands.

The special legislation for the Agro Romano, which has subjected a territory of about 20,000 hectares to obligatory reclamation on the part of the owners, whom it aids and encourages, continues to be enforced more and more strictly and has been extended over other districts.

In the five years from 1925 to 1930, some 219 obligatory reclamation schemes have been elaborated and enforced on land owners. They cover 81,000 hectares of land on which there have been built and are still being built farmhouses, barns, silos, farm roads, drinking water plants and plants for irrigation purposes. For the financing of these works 273 accomodation loans, amounting to 243 millions lire, have been granted and 212 millions have already been disbursed.

Special mention should be made of the formations of new centres of land settlement around the Capital, comprising the cultivation of almost 3000 hectares of ground.

**ACCOMODATING LOANS FOR THE RECLAMATION OF THE AGRO ROMANO.**  
(CONSOLIDATED TEXT 10-11-1905, N. 647, and Act 17-7-1910, N. 491).

Financial year	The Agro Romano		Additional Zones		General Total		Payments made
	No of Contracts	Amount or Loans	No of Contracts	Amount of Loans	No of Contracts	Amount of Loans	
1925-26	65	48,471,915	1	155,165	66	48,627,080	23,591,409
1926-27	59	56,856,089	—	—	59	56,856,089	43,975,726
1927-28	74	62,419,674	2	1,775,000	76	64,194,674	48,181,758
1928-29	45	25,606,300	5	1,705,000	50	27,311,300	45,000,457
1929-30	30	42,966,900	4	3,654,500	34	46,621,400	51,500,000
Total	273	236,320,878	12	7,289,665	285	243,610,543	212,249,350

In pursuance of the legislative provisions for promoting the mechanical tillage of the land with a tufaceous subsoil, five and a half millions have been granted as premiums from 1926 to June 30, 1930, for the tillage of over 22 thousand hectares of ground.

ACCOMODATION LOANS FOR BUILDING PURPOSES (R. D. 2 October 1921, no. 1332)

REGIONS	1926		1927		1928		1929		TOTALS	
	Capital	Contribution	Capital	Contribution	Capital	Contribution	Capital (provisional figures)	Contribution	Capital	Contributions
Piedmont . . . . .	—	—	—	—	—	—	—	—	—	—
Liguria . . . . .	—	—	—	—	—	—	—	—	—	—
Lombardy . . . . .	4,501,947	52,924	5,934,668	83,737	—	—	—	—	10,436,615	136,661
Venetia . . . . .	2,993,744	50,169	5,497,551	92,169	1,886,257	37,449	570,449	11,248	10,948,001	191,035
Venetia Tridentina . . . . .	—	—	—	—	—	—	—	—	—	—
Julian Venetia and Zara . . . . .	—	—	—	—	—	—	—	—	—	—
North Italy . . . . .	7,495,691	103,093	11,432,219	175,906	1,886,257	37,449	570,449	11,248	21,384,616	327,696
Emilia . . . . .	7,869,810	136,214	5,281,586	85,495	2,803,416	48,291	3,594,454	65,218	19,527,266	334,739
Tuscany . . . . .	1,543,466	31,388	2,934,036	58,924	943,530	19,165	357,276	7,431	5,800,308	116,908
Marches . . . . .	472,220	9,123	395,197	8,104	182,224	3,904	—	—	1,049,641	21,610
Umbria . . . . .	—	—	67,584	1,260	—	—	—	—	67,584	1,260
Latium . . . . .	249,272	5,185	510,807	10,624	—	—	—	—	760,079	15,809
Central Italy . . . . .	10,134,768	181,910	9,189,210	164,407	3,929,170	71,360	3,951,730	72,649	27,204,878	490,326
Abruzzi and Molise . . . . .	—	—	42,062	848	36,667	739	—	—	78,729	1,587
Campania . . . . .	—	—	70,000	1,228	165,393	2,968	—	—	235,393	4,196
Apulia . . . . .	—	—	—	—	—	—	—	—	—	—
Basilicata . . . . .	—	—	—	—	—	—	—	—	—	—
Calabria . . . . .	1,711,160	11,775	1,644,956	10,831	1,840,099	11,473	—	—	5,196,215	34,079
Sardinia . . . . .	—	—	—	—	—	—	—	—	—	—
Southern Italy . . . . .	1,711,160	11,775	1,757,018	12,907	2,042,159	15,180	—	—	5,510,337	39,862
TOTALS . . . . .	19,341,619	296,778	22,378,447	353,220	7,857,586	123,989	4,522,179	83,897	54,275,831	860,623

A million has been granted in premiums for the importation of ploughing implements.

In a short time the facilitations relative to rural aqueducts, sanctioned by the Act of 24-12-28, No. 3134, have been widely carried out. Up to the end of June 1930, schemes amounting to 15 millions and a half have been approved and in connection with these almost 11 millions have been given in grants.

It is not only to the enforcement of these special provisions, however, that the country looks for its recovery, but to the complete reclamation works which, under the Act of 1924-1925 on the reclamation of lands of public interest, may now be concentrated in districts of backward agrarian development.

This law, which entrusts to the Government the reclamation of land in districts presenting, for cultivation purposes, a certain public interest and which compels owners to undertake the improvements of private lands, requires the choice of the districts to be reclaimed to be made according to the different degrees of urgency and the relative importance of the economical, social, and hygienic benefits to be drawn from them.

37 districts have already been classified over a total surface of 3,978,000 hectares, distributed as follows:

Northern Italy	No.	4	. . . . .	Hec.	858,000
Central Italy	»	12	. . . . .	»	1,279,000
Southern Italy	»	14	. . . . .	»	911,000
Islands	»	7	. . . . .	»	930,000
—					
37					Hec. 3,978,000

In all districts already classified, the enumeration of which follows, associations of the parties interested have been established or are being established, and working schemes are under consideration.

#### DISTRICTS SUBJECT TO LAND RESTORATION OF PUBLIC INTEREST

1. Piedmont	- Association of Baraggia Vercellese . . . . .	Hec.	38,000
2. Lombardy	- District of lands to be reclaimed, in the prov. of Brescia . . . . .	»	320,000
3. Venetia Eugenia	- District of Lower Friuli . . . . .	»	70,000
4. Venetia Julia	- Istrian District . . . . .	»	330,000
5. Emilia	- District of Brisighella . . . . .	»	78,000
6. »	» » the Panaro . . . . .	»	72,000
7. »	» » basin of the Sillaro . . . . .	»	13,000
8. »	» » territory between the Secchia and Crostolo . . . . .	»	150,000
9. »	» » the basin of the Santerno . . . . .	»	90,000
10. Tuscany	- » » Grosseto . . . . .	»	40,000
11. »	» » the basin of the Osa and the Albegna . . . . .	»	78,000
12. »	» » » Orcia Valley . . . . .	»	34,000
13. »	» » » Paglia Valley . . . . .	»	54,000
14. Latium	- » » Roman Maremma . . . . .	»	290,000
15. Umbria	- » » » territory between Todi and Orte . . . . .	»	20,000



16.	<i>Marches</i>	-	District of the territory between Tronto and the Etemorto	Hec.	260,000
17.	<i>Abruzzi and Molise</i>	-	Dist. of the Plain of Venafro . . . . .	»	4,000
18.	<i>Campania</i>	-	Dist. of the Lower valley of the Volturno . . . . .	»	11,000
19.	»	»	» Valley of Diano . . . . .	»	13,000
20.	<i>Apulia</i>	-	» » » Territory of Arneo . . . . .	»	30,000
21.	»	»	» » » Fossa Premurgiana . . . . .	»	250,000
22.	»	»	» » » Territory of Ugento . . . . .	»	7,000
23.	»	»	» » » Tableland . . . . .	»	400,000
24.	<i>Basilicata</i>	-	» » » Ionian Zone . . . . .	»	20,000
25.	»	»	» » » Middle Valleys of the Agri and Sinni . . . . .	»	200,000
26.	»	»	» » » Upper Valley of the Agri . . . . .	»	60,000
27.	<i>Calabria</i>	-	» » » Lower Valley of the Nete . . . . .	»	22,000
28.	»	»	» » » Terr. between the river Alli and the Punta del Castello . . . . .	»	76,000
29.	»	»	» » » Basin of the La Verde river . . . . .	»	13,000
30.	»	»	» » » Highlands of Aspromonte . . . . .	»	5,000
31.	<i>Sicily</i>	-	» » » Terranova or Gela . . . . .	»	40,000
32.	»	»	» » » Caltagirone and bordering communities . . . . .	»	80,000
33.	»	»	» » » The upper and middle Basin of the Belice . . . . .	»	85,000
34.	<i>Sardinia</i>	-	» » » » Campidano of Oristano . . . . .	»	125,000
35.	»	»	» » » » » Cagliari . . . . .	»	145,000
36.	»	»	» » » » Middle Valley of the Coghinas and the bordering territory . . . . .	»	35,000
37.	»	»	» » » » Territory of Nuoro . . . . .	»	420,000
					<u>Hec. 3,978,000</u>

It is by this powerful effort that Fascist Italy carries on her great battle for reclaiming the land, and makes big immediate sacrifices for a better future.

# FOREST POLICY

by ARNALDO MUSSOLINI, *President of the National Forestry Committee.*

Forests, indispensable to the life and the general economy of Nations, are of particular importance in our Country, half the area of which is mountainous.

The conditions of the mountains and of the torrent and river beds, the land-slips and crumbling slopes, frequent floods and avalanches, the impoverishment of mountains and of agriculture, the exodus of the rural population, the amounts spent on imports of timber – in short, all the disasters ensuing upon the cutting down of woods, are evident proofs, that only the work of time can cancel, of the destructive mania which effete past Governments were powerless to stop.

The Fascist Regime, with its clear policy of reconstructing national integrity, production and prosperity, was bound to give deep thought to this problem, and it has proved capable of facing it in full.

In this field as in others the resolute words of the Duce struck home, and Italians at once realized that forestry had entered upon a new era.

**THE MESSAGES OF THE DUCE.** – Benito Mussolini had his say on this matter in words which by their conciseness and firmness made a deep impression on the minds of the people and influenced their action.

We may quote some of the more striking parts:

“ I love trees. Defend them. I will help you to defend them ”.

“ I applaud all efforts to give new mountain wealth to the country and greater security to the agriculture of the plains. Pursue tenaciously this arduous enterprise you have engaged in to preserve for Italy the scented forests that gave Rome her triremes and the sea-faring republics their galleys, and to give back to the mountains of our country their green covering of trees, without which their imperial beauty is not complete ”.

“ I wish to affirm once more my resolute intention of saving our remaining forests and restoring their classic woods to the barren hillsides of the Country. And I am happy to send my message of faith to the Province of Trento, which harbours such an intense love of its forests together with an undying love of Italy ”.

“ The causes of prolonged droughts, unbroken by atmospherical discharges (apart from destructive cyclones) are to be sought for in the woefully barren mountain tracts of the Apennines. We lack great forests with their spreading shadows whence arise the currents that coagulate the aqueous vapour suspended in the higher strata of the atmosphere and cause it to precipitate in the form of rain.

“ While waiting for the millions of trees that have been planted to accomplish among their many duties also this fundamental function of atmospheric equilibrium – the period of waiting will be long; certainly not less than half a century – irrigating plants must be established without delay... The complete reclamation of the country is an initiative the accomplishment of which will alone suffice to make the Revolution of the Black Shirts famous throughout the centuries ”.

“ From the ever restless sea, we pass to the mountains which safeguard our great plain and form the back-bone of the peninsula.

“ A mountain policy is being put into action.

“ The bleak summits are being clothed with trees, planted and protected by the Forest Militia ”.

“ Be proud of your mountains; love the life of your mountains, and do not let yourselves be seduced by the life of the so-called great cities, where men live crowded into stone or cement boxes without air or light, with less space and often in dire poverty.

Be proud of your numerous and healthy children, for the day in which our sturdy Alpine race dies out will be a sad one both for you and for the Nation ”.

FROM WORDS TO ACTION. – *The National Forest Militia*. – The Duce wished to give the country a technically trained police force with military character and discipline, rigidly to enforce the laws and carry out the works begun. He therefore established the *National Forest Militia*.

At the present moment it is commanded by a General Consul, and is composed of 328 officers, 377 non-commissioned officers, 302 chosen militiamen and 2638 soldiers of the militia.

The recruitment of the officers and the militiamen is based on a rigid criterion of selection. The officers are chosen by regular competition from among graduates in Civil Engineering and Agricultural Sciences. The winners of the competition have also to frequent a special course for Training Officers at the R. Higher Agrarian Institute in Florence before being allowed to exercise their duties.

The militiamen are also recruited by means of a publicly announced competition and are then sent to the R. Training School for Forest militiamen at Cittaducale.

The non-commissioned officers are chosen from among the militiamen.

The Forest Black Shirts have known how to assert themselves and they answer to our highest expectations, as we shall show when we come to speak of the single activities and various enterprises.

WOODS, REAFFORESTATION, PASTURE-LANDS. – Present statistics, always susceptible of correction, show a wooded surface of about 5,545,000 hectares, of which 3,500,000 are on the mountains, 1,740,000 on the hillsides and 305,000 in the plains.

The greater part of these forests, about 50 % of them, are situated in Northern Italy; 30 % are in Central Italy and 20 % in Southern Italy, including the Islands.

We have besides 7,600,000 hectares of meadows, pasture-lands and waste lands, 4,085,000 of which are on the mountains, 2,403 on the hills, and 1,112,000 in the plains.

Lastly we have approximately 3,400,000 hectares of cultivated area in the mountains.

From this we see that although properly and prevalently mountainous, the silviculture of our country does not occupy even one half of our mountain area. Nor are the 5,545,000 hectares of so-called wooded lands all covered with real woods: the greater part consists of underwood, deteriorated woods and scrub, with only a small proportion of forest-trees.

From this picture one gathers how vast and arduous is the task of reconstruction undertaken by the Fascist Government and assigned to the Forest Militia.

The Forest Militia devotes all its energies to the protection of these forests or remains of forests, the greater part of which belong either to the Communes, the State or to private individuals, and in 1929 it had to denounce some 60,000 infringements.

As part of their technical duties, the Militia officers direct the works being done by the State and by the Associations formed between Provinces, Communes, and State.

These associations, which formerly existed in only a few provinces, have now been established nearly all over the country. The Militia directs not only all the re-wooding and re-conditioning of the forests belonging to Corporations, but also the works for the enrichment of mountain pasture-lands.

The Militia has also under its control the game service and fishing service in mountain waters.

The few technical officers of the Royal Forest Guard, who owing to age limit or to superabundance on the military cadres, have remained on the civil lists, are attached to the General Headquarters of the Militia and collaborate whole-heartedly with it.

The stimulus given by the Fascist Government to the work of re-wooding and of systematizing the forests of the mountain basins, compared with the slowness of former Governments is shown by the following figures: whereas only 26,200 hectares were reforested and only 16,500 hectares of mountain area were systematized in the 55 years from 1867 to June 30, 1922, in the 7 years from 1922 to June 30, 1929, 5,884 hectares of land have been reforested and 15,283 hectares of mountain area have been systematized.

These figures do not include the reafforestation of State forests for regular cultural purposes.

The rhythm of this work becomes yearly more rapid. According to General Agostini's last report to the Duce, some 79,500,000 small plants and some 557,000 kilogrammes of forest seeds have been planted within the last two years.

The planting of poplar trees along the mud-banks and hydraulic appurtenances of the plains has been greatly intensified. In the financial year 1928-29, 8,794,000 lire were set aside for the enrichment of the mountain pastures, that is, 159 % more than the annual average for the five years from 1917 to 1924, and 2,865,000 lire were assigned for State grants, 1,271,000 of which have already been paid out, that is, 393 % more than the average for the same period of five years.

But besides providing for this branch of the general technical and preservation service of the forests and pastures belonging to Communes, corporate bodies and private owners, the Fascist State has provided for the organization and enlargement of an equally important branch of this service, that of the Administration of the State Forests.

STATE FOREST ADMINISTRATION. — Many voices had been raised in the past in favour of the direct intervention of the State for the formation of a vast State Forest Demesne. We need only recall here the names of Senators Luigi Rava, Giovanni Raineri and the late Luigi Luzzatti, who, by carrying the bill of 1910, was the first to lay a solid foundation upon which to build up the scheme.

A special Office was thus formed for the Administration of the State Forest Demesnes, by handing over to the Department of Agriculture all forests, formerly depending upon the Finance Department, and also by purchasing new forests.

The total area of 218,329 hectares has thus been increased during the Fascist period to 226,932 hectares, as follows:

Forests . . . . .	hectares	150.520
Pasture-lands, meadows, etc. . . . .	„	23.592
Barren lands . . . . .	„	52.820

The wooded surface of 150,520, includes 16 % of coppice and is distributed as follows:

Northern Italy . . . . .	hectares	58.442
Central Italy . . . . .	„	28.546
Southern Italy including the Islands . . . . .	„	63.532

The surface thus covered is very modest when compared with the immense extent of our mountainous regions, where no other growth except woods is profitable or possible.

The National Forest Militia was also employed in the care, custody, administration and technical management of the special office, now known as the State Forest Office.

During the present Regime a definite improvement has taken place in our Forest demesnes owing to the building of houses and barracks for the staff, either in the middle of the forests or on their outskirts, through the extension of the road systems, the installation of cable and telephone lines, saw-mills, and hygienic systematization and improvement.

Under the Fascist Government our Forest Demesnes will go on steadily increasing.

Tens of millions of stocks, the profits derived from the Office, have already been set aside for the purpose.

Another considerable addition to the State Demesnes can be made by passing over to the State the private Lands, which under the Integral Reclamation Act are to be systematized and reforested, but which up to the present moment have only been occupied subject to the payment of an indemnity to the proprietors.

Thus the Regime will at last be able to fulfill what has heretofore been the vain ambition of our experts, whose long experience taught them the futility of working another man's estates and paying him dues for right of occupation, merely to return it later on, properly wooded, in the hope that it would be carefully husbanded: a vain hope that generally ended in bitter disappointment, loss of time and money, and worse local conditions. Another strong point in the mountain policy of the present Government is represented by its praiseworthy tendency towards what has been termed "a single forest front".

We have already drawn attention to the fact that the greater part of the State's forest patrimony consists of common lands greatly deteriorated and mostly unproductive.

By the direct intervention of the State and consequently of the Forest Militia in the management of these woods, not only will their definite preservation and national utilization be assured, but the Communes can count on them for a safe income, while they afford profitable resources for regional industries and activities, and contribute to improve the living conditions of the inhabitants, who will feel more strongly attached than ever to their native mountains.

Here again the Office for the Forest Demesnes has already taken over the management of some six thousand hectares of wooded lands belonging to four Communes in the province of Catanzaro, and is administering them as State Forests, the net proceeds being handed over to the Corporations they belong to.

Finally the Forest Office, which offers such an excellent example of rational forest cultivation to the Country, has but recently finished systematizing some of the most important forests, thus providing for their lasting preservation and safeguarding their revenues.

PRINCIPAL PROVISIONS OF THE LAW. - In addition to the laws mentioned above relating to the institution of the National Forest De-

mesnes, and the re-organization and reform of the legislation referring to woods and mountain areas, the Fascist Government has issued special provisions for increasing State contributions to the Forest Unions, for the systematization of mountain basins, for a Mountain Secretaryship, for the National Parks in the Abruzzi and on the Gran Paradiso, for the regulation of pasture-lands, and so on.

All these decrees are being gradually amended whenever the necessity arises, as for instance by the extension of forest preservation to all forests.

The law, however, which consolidates and recapitulates the various provisions for rural Italy, is the Duce's law for the integral reclamation of the land and the institution of an Under-Secretaryship in the Department of Agriculture and Forestry, the task of which is to study such problems.

Intimately connected with the enforcement of this law is the systematization of the mountain basins, which from now on is to begin, as a rule, from the top, with a view to rational reforestation.

This logical provision is a definite step-forward in the Fascist Forest policy.

Side by side with these works and ordinances, the Regime has paid special attention to the development of small industries, which generally constitute the best resources of the inhabitants of the mountains.

Practical studies are leading to the enactment of special provisions which will furnish further proof of the Government's vigilant care of our hardy rural populations.

**CORPORATIVE ORGANIZATION.** — In the past, forest-keepers and labourers were little considered and generally confused with other classes of labourers; but they have now been fully recognized and organized in a separate body by the Fascist Corporative State.

As a result of these workers having been thus organized and divided into different categories, it has also been possible to secure a higher standard of working ability.

Wood-cutters and shepherds have acquired a new class dignity, born of a feeling of pride in the trade they belong to.

Both small industries and large industries have felt the effects of the improved conditions of labour; and the latter has found in the Federations of the forest proprietors and manufacturers well-organized bodies capable of facilitating the working and selling of mountain produce.

**FOREST PROPAGANDA.** — It is also a merit of the Regime to have amalgamated the various institutions for forest propaganda and created a National Forest Committee, of which I myself have again been appointed president by the Ministers concerned.

We have among other things revived the celebration of Arbour Day, for the care and growth of small trees planted by children.

Last year during this school ceremony one million two hundred thousand small trees were planted and the Committee presented to the prize-winners some 2330 diplomas and medals.

Remembrance Parks and Avenues, a purely Fascist institution, have also been given a place of honour by the Committee.

Kinematographs, publications, conferences, exhibitions, and practical examples of reforestation are all cared for by the Committee.

By building a Park near Mantua for Vergil's Millenary, containing the flora mentioned in the Georgics, I feel sure I have interpreted the wish of all thinkers and scholars. This Park contains all the flora sung by the Poet and will be inaugurated next October.

Other enterprises are materializing. I wish to close these few notes by recalling the spontaneous offer of labour on the part of the populations of the Basilicata for the restoration of certain mountain regions. This is a fine instance of forest interest and Fascist faith and it has been followed lately by the provinces of Arezzo and Forli.

The efforts of the Duce towards the restoration of our forests have aroused much interest abroad and excited considerable admiration.

The Press of those Countries where forestry is more developed and where its value is properly appreciated has shown great sympathy for our forest movement, and has declared "that there is sufficient daring in such a conception to make the name of Mussolini immortal".

On a memorable "forest day" at Asiago, I said that "as our mountains, rising above the uniform greyness of the plains, are nearer to the stars, so are our sturdy and silent mountaineers nearer to the heart of Italy".

The wise measures taken by the Government and the work accomplished so far for our mountains and our mountain populations prove the truth of that assertion and justify confidence in the future of Italian forestry under the Fascist Regime.



# PUBLIC WORKS

by ARALDO DI CROLLALANZA, *Minister of Public Works.*

Signor Giuriati, some five years ago, had already provided this Department with a definite organization. By creating Commissioner Bureaus (*Proveditorati*) for the Works of the South and the Islands, he set up the most decentralized administrative system that has ever been put into practice for the definite solution of all problems connected with public works in the South; and he thereby succeeded in obtaining exceptionally efficient advisory, directive, and executive organs.

More recent developments in the organization of public works were the establishment at Grosseto, in February 1926, of a General Inspector's Office for the Tuscan Maremma, to remedy the half-abandoned condition of that Region, part of which has still to be reclaimed and restored to agriculture. To this must be added the creation, in May 1928, of a special Autonomous State Road Board for the ordinary upkeep, the emergency repairing and definite systemization of 20 thousand kilometres of State Roads, and the organization in November of the same year, as a part of the Voluntary Militia for National Defence, of a Road Militia, for regulating road circulation and road police services.

A reform scheme has been drawn up by the Supreme Council of Public Works, which is destined to become the State's technical advisory organ for all public works. And since, from the very start, the Commissioner Bureaus for Public Works in the South and the Islands found it difficult to promote enterprises for the development of these regions, owing to the scarcity of the population as compared with the extent of the territory, in March 1926, a permanent committee for Home transmigration was established at the Ministry of Public Works, which is the centre of all government activities for the South.

This committee is transferred at present to the Presidency of the Council of Ministers, for the purpose of facilitating migrations from provinces with a surplus population.

As the organization became gradually more perfect, both the general and the particular legislation of Public Works underwent further developments. It will suffice to record among the more important measures, the Act of June 24th, 1929, regulating the execution by concession and with deferred payment of all public works. A new Bill has been drafted to simplify the system regulating taxation on the increased value of land where public works have been carried out, while a uniform criterion is followed in the execution of all works undertaken either by the State or by self-governing bodies

New regulation schemes have been drawn up in relation to the services and the staff of Civil Engineering, and before long a new code for the general administration of public works either belonging to or

subsidized by the State, will be issued, together with a new administrative code, a new technical brief and a code for drawing up projects.

Regarding special legislation, I shall limit myself to recalling the R. D. of December 2, 1928, comprising all measures regulating police organization and road circulation; this decree is but the first step towards the future Right of Way Code which the Fascist Government is about to insert in the organic legislation of the Regime.

Consolidating texts are being prepared to regulate the utilization of public water supplies, the economical construction of workmen's houses and the concession of grants in case of earthquakes.

The result of this administrative and juridical reorganization was clearly visible from the beginning: in the acceleration of works in execution and in project, in the rate of expenditure, in the employment of labour and in the importance of the technical results obtained.

In the three large divisions of public works either undertaken or subsidized by the Ministry of Public Works and also by the A.S.R.B. during the last two financial years, the progress is recorded in the following table.

#### NATURE AND VALUE OF THE WORKS IN EXECUTION

Works.	Financial year		Financial year		Financial year		Financial year		Financial year	
	1925-1926		1926-1927		1927-1928		1928-1929		1929-1930	
	Works	Mill. Lire	Works	Mill. Lire	Works	Mill. Lire	Works	Mill. Lire	Works	Mill. Lire
<i>A)</i> Under direct supervision of the Adm. of P. W. and A.S.R.B.	2,914	1,782	3,335	2,242	2,954	2,286	3,170	2,204	2,798	2,390
<i>B)</i> Farmed out by Ministry of P. W.	70	1,618	77	1,538	100	1,598	154	1,993	187	2,346
<i>C)</i> Undertaken by local corporations helped by the Ministry of P. W.	1,697	529	2,172	545	2,317	560	2,281	496	2,265	578
<b>TOTAL . . . . .</b>	<b>4,681</b>	<b>3,929</b>	<b>5,584</b>	<b>4,325</b>	<b>5,371</b>	<b>4,444</b>	<b>5,605</b>	<b>4,693</b>	<b>5,250</b>	<b>5,314</b>

Excluding in the financial years 1925-26 and 1926-27, railway grants, which since the beginning of July 1927, have passed under the jurisdiction of the Ministry of Communications.

For homogeneity with the preceding financial years in the works under direct supervision of and granted by the State are included the hydraulic works connected therewith and mountain systematization handed over on September 27, 1929 to the Total Reclamation Undersecretaryship. Hence the dates quoted must be increased: viz. to Cat. A must be added 318 works und 96 million lire and to Cat. B. 149 works and 1,604 million lire.

The most noteworthy increases in the average number and value of the works in execution belong to the 1926-1927 and 1928-1929 financial years, in the first of which the activities of the new decentralized directive

organs of the Public Works Department were in full swing. In the second the contribution of numerous important works by the Autonomous State Roads Board deserves special note. Last year also a number of new works were put in hand, this being partly due to the increase of land reclamation grants, pertaining at present to the new Under-Secretaryship for integral land reclamation established under the Ministry of Agriculture and Forests.

This development in the general volume of the works undertaken is accompanied by an increase in the total amount of payments made. While already in the first three financial years of Fascism, i. e. 1922-25, the total expenditure for public works had notably exceeded that of the preceding years, 1919-22, it reached even more remarkable figures in the five following years: and in particular in the last four years, in each of which it amounted to about two milliard lire.

## PAYMENTS MADE FOR PUBLIC WORKS.

Financial years	Millions of paper-lire	Millions of gold-lire	Yearly average	
			Millions of paper-lire	Millions of gold-lire
1919-1920 . . .	461	180	—	—
1920-1921 . . .	837	215	871	240
1921-1922 . . .	1,316	326	—	—
1922-1923 . . .	1,448	348	—	—
1923-1924 . . .	1,360	308	1,339	306
1924-1925 . . .	1,209	263	—	—
1925-1926 . . .	1,274	258	—	—
1926-1927 . . .	2,069	454	1,842	454
1927-1928 . . .	1,977	549	—	—
1928-1929 . . .	2,048 *	557	—	—
1929-1930 (1) . .	1,903 **	517	1,903	517

(\*) Excluding payments made by the accountant of the P. W. to the A.S.R.B. amounting to 320 millions. but inclusive of payments made by the A.S.R.B. amounting to 275 millions.

(\*\*) Excluding payments made by the accountant of the P. W. to the A.S.R.B. amounting to 205 millions L. but inclusive of payments made by the A.S.R.B. amounting to 538 million L. Payments authorized since October 7, 1929 for reclamation purposes, amounting to 62 millions, inclusive.

(1) Temporary figures taken from payments authorized.

The following figures show how the expenditures in the periods just quoted, have been distributed among different categories of works.

Kinds of works	Financial years 1919-1922		Financial years 1922-1925		Financial years 1925-1929		Financial years 1929-1930	
	Millions of lire	%	Millions of lire	%	Millions of lire	%	Millions of lire	%
Roads . . . . .	160	10.-	433	12.-	1,391	20.6	* 706	39.9
Hydraulic works . . . . .	309	19.4	418	11.6	1,105	16.4	285	16.1
Reclamation works . . . . .	150	9.4	202	5.6	453	6.7	*** 62	3.5
Maritime works . . . . .	137	8.6	340	9.4	730	10.8	181	10.2
Building works . . . . .	47	2.9	118	3.3	682	10.1	197	11.1
Depending on floods and land- slides . . . . .	57	3.6	106	2.9	243	3.6	44	2.5
Pertaining to war . . . . .	30	1.9	14	-.4	59	-.9	4	0.2
Pertaining to earthquakes . . . . .	328	20.6	224	6.2	600	8.9	91	5.2
Redeemed Provinces . . . . .	—	—	200	5.5	158	2.3	20	1.1
Railway Constructions . . . . .	—	—	990	27.4	996	14.7	181	10.2
Railway Grants, Automobile service, Tramways . . . . .	377	23.6	571	15.7	** 340	5.-	—	—
Total amount to be divided	1,595	100	3,616	100	6,757	100	1,771	100
Other expenses . . . . .	1,019	—	401	—	611	—	132	—
GENERAL TOTALS	2,614	—	4,017	—	7,368	—	1,903	—

\*\* Inclusive of payments of A. S. R. B. but not inclusive of sums granted by Public Works to the A. S. E. B.

\* Up to July 1, 1927.

\*\*\* Up to October, 7, 1929.

Only a part of the categories of public works given above come under the jurisdiction of the Commissioner Bureaus for works in the South and in the Islands. The following figures will give an idea of the activity displayed by these Bureaus, from the time of their formation (in August 1925) till June 30, 1930:

Commissioner Bureaus (Provveditorati)	Millions of lire	Categories of works	Millions of lire
Abruzzi . . . . .	151	Roads . . . . .	900
Campania . . . . .	155	Hydraulic works . . . . .	81
High Commissariat of Naples (Office of P.W.) . . . . .	188	Reclamation works . . . . .	170 *
Apulia . . . . .	178	Maritime works . . . . .	493
Basilicata . . . . .	195	Construction works . . . . .	81
Calabria . . . . .	426	Sanitary works . . . . .	279
Sicily . . . . .	557	General expenses and expenditures not classifiable . . . . .	103
Sardinia . . . . .	257		
	2,107		2,107

(\*) Up to November 1929.

The increase of works naturally involves a continual increase of manual labour, notwithstanding the increasing use of mechanical means with a view to greater productive efficiency and reduced expenditure. If one compares, again, the daily employment of manual labour in works

accounted to the Administration of Public Works or aided by it, or lately by the A.S.R.B., as it averages for the months of May and September in the years from 1925 to 1930, the progress is obvious:

Months	1925 Workmen	1926 Workmen	1927 Workmen	1928 Workmen	1929 Workmen	1930 Workmen
May . . . . .	66,716	86,081	103,206	106,253	150,394	150,834
September . . . . .	60,800	85,451	102,309	109,045	132,361	177,770

(\*) For the sake of homogeneity with preceding years, manual labour for drainage operations, hydraulic works and mountain systematization works, are included; viz. 36,767 workmen in May and 42,128 in September. These works were passed over on September 27, 1929 to the Secretaryship for Integral Reclamation.

**THE ESTABLISHMENT OF CORPORATIONS FOR WATER UTILIZATION.** — The utilization of waters deriving from the influx of some of the larger lakes and the rules governing the right of use thereof have been regulated by creating the Syndicate of the Ticino for Lake Maggiore and the Syndicate of the Oglio for the Lake of Iseo.

**THERMO-ELECTRIC PLANTS.** — By R. D. of July 6, 1926, a first step was taken towards the construction of thermo-electric power stations for the utilization of national fuels, by means of State grants.

**WATER WORKS.** — Magnificent enterprises for regulating the water-courses have been carried on since 1925 all over the Peninsula and the Islands. It suffices to recall the work being done for the Po: some 2,265 kms. of defence-works have been raised along this river and its tributaries, corresponding to an expenditure, in the last five years, of some 200 million lire.

**SYSTEMIZATION OF MOUNTAIN AREAS, DRAINAGE, IRRIGATION WORKS AND WATER EXPLORATION IN THE SOUTH.** — For the integral Reclamation, which comprises classes of works mentioned above, a special Under-Secretaryship has been created at the Ministry of Agriculture and Forests. Forty-six drainage enterprises belonging to syndicates and private parties were authorized in 1926-27, amounting to about 790 million lire, in 1929-30 they had increased to 149, costing 1,605 million lire. To these enterprises must be added those carried on directly by the State, which have been increased by the decentralization of the State organs.

**HOME NAVIGATION.** — In 1926 permission was granted to the Italian Company of Interior Navigation to execute works amounting to 60 million lire for the improvement of the water-ways in the provinces of Ferrara and of Venice. In Central Italy the Pisa-Leghorn canal is

being finished and the works undertaken on the Tiber to make it navigable have given excellent results.

**AQUEDUCTS. — THE APULIAN AQUEDUCT.** — The main branches are finished, and about 540 Kms. of secondary branches and external conduits have been constructed. The network for city supplies has been extended over another 155 Kms. From 1925 to 1930, some 66 new centres containing over 638 thousand inhabitants, were supplied with water.

**AQUEDUCTS IN THE CASTELLI ROMANI** — The State has undertaken to execute works for the construction of two water reservoirs destined to supply the different Castelli, and to advance the money for laying the water-pipes for these communes. These works have already been begun.

**AQUEDUCTS IN THE BASILICATA AND IN OTHER REGIONS OF THE SOUTH.** — In 1924 the State assumed the responsibility of the total expenditure for the construction of aqueducts in all the communes of the Basilicata and it has already absolved this task in great part, with a total expenditure, up to November 30, 1930, of about 86 million lire. Numerous other aqueducts have been built or begun in the last five years, in the Abruzzi, Campania, Calabria, Sicily and in Sardinia. Especially remarkable in Sicily are the co-operative aqueducts of the Madonna (15 communes), of Eastern Montescuro (6 communes) and Western Montescuro (13 communes), of Favara di Burgio (10 communes) and of the Aetna woods (16 communes) and in Sardinia the subsidery aqueduct of Cagliari with about 50 Kms. of water-pipes with a capacity for carrying 5,000 cubic metres a day. This aqueduct received special attention from the Duce and was completed in a few months, with a total expenditure of over 10 million lire. To these must be added the aqueduct of Sassari, one part of which is already finished. The total cost so far is 4 million lire, and the other two are now in course of construction.

**OTHER SANITARY WORKS AND SCHOOL BUILDINGS IN SOUTHERN ITALY AND THE ISLANDS.** — Loans amounting to 233 and a half million lire were authorized from July 1926, (when all services relating to the above were handed over to the P. W. Dept.) to November 30, 1930, for the building of aqueducts and other hygienic works by the corporations interested therein. One hundred millions' worth of loans were authorized in favour of the Townships helped by the State, for the construction of school buildings. Financial schemes have been presented for numerous other buildngs.

**MARITIME WORKS.** — In the last four years, important works have been carried ont for enlarging the harbours of Genoa, Venice, Naples,

Palermo, Catania and Bari. Over 72 million lire have been recently granted to this last harbour, not counting the 75 million lire given to it formerly, with a view to transforming it into a suitable landing place for traffic with the East.

Forty million lire were granted to the harbour of Trieste in 1925, 35 million of which have already been spent. Also the smaller harbours of Istria (Parenzo, Rovigno, Isola) and the harbour of Fiume are being restored and enlarged.

Some 18 million lire have been granted to this latter port for the construction of a dock for the discharge of wood and for the completion of the Riva Duca degli Abruzzi and Emanuele Filiberto.

In Central Italy, in addition to the works financed at Leghorn, considerable sums are being spent on the harbours of Ravenna, Ancona, Civitavecchia, Anzio and Marina di Carrara.

An equal stimulus has been given by the Commissioner Bureaus for the South to works pertaining to the harbours in those regions. In Campania, apart from the scheme for regulating the harbour of Naples, a further 5 millions have been spent on important works for enlarging the port at Salerno, while various works have been carried out in the harbours of Torre Annunziata, Torre del Greco, Castellamare, and other minor ones. In Apulia, apart from the construction of the new port being built at Bari by the Fascist Government, the harbour at Brindisi is being restored to its full efficiency and other important embankment works and works of excavation and defence have either been completed or are being carried on in the harbours of Taranto, Manfredonia, Gallipoli and Mola di Bari. The systemization of the harbour of Reggio in Calabria, has been begun. Quays are being built on the south-eastern side, for a value of eight million lire. In the new harbour of Cotrone, quay-operations have been completed at the base of the external breakwater, as well as the construction of a jutting-out landing-stage, at a cost of about 13 million lire. Other important works are being carried on in the harbours of Santa Venere and Paola. In Sicily, although the greatest stimulus has been given to the improvements already mentioned in the harbours of Palermo and Catania, important works have also been carried out in the harbours of Messina, Syracuse and Trapani, in the last of which, a programme of systemization and enlargement is being carried out, involving an expenditure of 14 million lire.

In Sardinia, where harbour operations are of the greatest importance, the enlargement, equipment and systemization of the port at Cagliari is in full swing; the traffic in this harbour is continually increasing and 40 million lire have already been invested in it. Important works of excavation and systemization are also being carried on in the minor harbours of Terranova, Carloforte, Bosa, Portotorres, Alghero, Arbatax and La Maddalena.

A noticeable reduction in the cost of dredging has been achieved in the various harbours of the Kingdom. This has been attained by founding, by R. D. of February 27, 1927, a Technical Control Office for excavation purposes. This office directs all excavation convoys belonging to the Administration on a uniform plan and by means of the intelligent employment of the various working-means corresponding to the special requirements of the different harbours. It also fixes standard prices for all excavations undertaken by private concerns.

STATE BUILDING. — In order to come to the aid of Zara, the Fascist Government has taken charge of town buildings in that city. The working-programme, approved by the Municipality, is being gradually developed.

The most important civic buildings are the Palace of Justice at Trieste, which is practically finished by now, and the Post Office buildings, already finished, of Casale Monferrato, Asti, Alessandria, Ancona, Ravenna, Aquila, Campobasso, Caserta, Barletta, Brindisi, Lecce and Trapani. The Post Office buildings at Arezzo, Ascoli Piceno, Macerata and Terni were finished in 1930 and the prison buildings at Spezia and Belluno have been begun, not to mention improvements being made at the Governor's Palace in Bologna.

Fresh impetus has been given to the construction of government buildings in the Capital, where the Palace of Montecitorio has been completely restored; the new seat of the Ministry of Justice is finished and already occupied by the Offices pertaining thereto. The new seats of the Ministry of National Education and the Ministry of Marine have also been altered, and the new seat of the Government Bank Note and Paper Offices has been handed over to the Financial Administration Bureau.

Among National monument works is the grandiose Mole del Sacconi, which is by way of being completed inside, the outside being already finished. Work is going on in the Museum of the Risorgimento and a passage is being opened between the Museum and the Portico of Vignola on the Capitol. The new Littorio Bridge on the Tiber was inaugurated some time ago.

In Apulia, under the direct supervision of the Commissioner's Bureau, a new gaol has been built at Bari by the Ministry of Justice, for the total cost of 4 million lire. In Basilicata the new seat of the Commissioner's Bureau has been finished and so also, in Calabria, the building belonging to the Direction of the Provincial Post Offices at Cosenza, with an expenditure of about 4 million lire. In Sicily, besides the Post Office Building at Trapani, already inaugurated, the Post Office Buildings at Catania and Syracuse, representing altogether an expenditure of about 11 million lire, have been finished. In Sardinia, the Biological Institute connected with the R. University of Cagliari and the



two Scientific Institutes of the University of Sassari must be mentioned, and also the new seat of the Commissioners for Public Works and the new Palace for the State Archives.

In the military field, again, the Ministry of Public Works has accepted the jurisdiction of the Military Engineering service, relating to the examination of projects, the supervision and execution of new works for the building and enlargement of barracks and military buildings in general, exclusive of fortifications, military roads, depots of explosives and other works connected with the defence of the State.

As the practical carrying out of this provision presented several difficulties, owing to the impossibility of drawing a definite line of division between permanent works handed over to the Public Works and those of upkeep remaining with the Ministry of War, on July 1, 1929, the execution of these permanent works and extensive improvements was given back to the War Ministry. The construction of military buildings not strictly connected with the protection of the Nation are still a function of the Public Works Department, which, however, receives the necessary funds from the War Ministry.

Setting aside other works of less importance, the following are worthy of notice: the enlargement of the Artillery and Engineering School at Turin, the construction of artillery barracks at Albenga, of infantry barracks at Genoa, the Semaphore of the R. Marine also at Genoa, the enlargement of the Arsenal at Piacenza, the Civil Engineering Barracks at Udine, the building of a new Military Hospital at Milan, of central automobile works at San Vitale in Bologna, the military chemical Institute in Florence, the warehouses for the radio-telegraphic and Electrical Engineering works in Rome, of the fuse workshops at Capua, the systemization of the R. Artillery and Arsenal Administration in Naples. In 1930 new constructions costing 10 millions of lire were authorized.

To these must be added the building of barracks for the R. Carabineers and Police in the provinces of Istria, Fiume, Trieste, Gorizia, Udine, Bologna, Belluno, Sondrio, Varese, Aosta, Turin, Imperia, Genoa, Zara, Rome, Caserta and Messina.

And lastly, new responsibilities and works relative to the Lateran Treaty have been centred in the Administration of Public Works, so that this Ministry will undertake the construction of new buildings for financial and military offices housed at present in palaces, which, according to the Treaty, will have to be returned to the Papal Government.

**WORKMEN'S DWELLINGS.** – Besides considerable contributions made by the State from 1919 to today in the payment of interest on loans granted for the construction of workmen's houses, and among other measures of the Government in favour of workmen's dwellings, we must remember the creation, since 1925, of the National Institution for the

housing of Civil Servants, for the purpose of building healthy flats at cheap rates. In the programme outlined in the charter, buildings have been projected up to a total of 500 million lire. Up to the present day the Institution has built houses in the working centres and is building others for a total amount of 415 million lire. In March 1926 one hundred million lire were appropriated on the Budget, for State grants up to 20 % of the cost in favour of Communes and autonomous institutions, for the building of workmen's houses to be put up for sale or to be let, on condition that they be bought after 25 years' lease. With this sum, which has already been laid out, it has been possible for an expenditure of 500 million lire, to build 12 thousand new flats, containing 44,500 rooms, capable of housing some 54 thousand people, thus affording substantial relief in the pressing housing problem. The Government has also given help to war invalids and disabled soldiers, by granting them life pensions and contributing 3 % to the payment of interest to co-operative building societies for the building of cheap houses, corresponding to a total expenditure of about 170 thousand lire. The annual contribution of 5 million lire relating thereto has already been entirely disbursed.

Up to the present day, we may conclude, the greatest effort in the building of workmen's dwellings, since the war, has been made by Corporations financed by the State, and in particular by co-operative societies under of the strict control of the Ministry of Public Work since the beginning of 1926.

**WAR LOSSES.** — All Reconstruction works undertaken directly by the Government were practically finished in 1925. Those to be executed by private concerns were so far advanced in 1928 that it was possible to abolish the Commissariat formerly established at Treviso.

**EARTHQUAKE REPARATION WORKS.** — The most important public buildings in the city of Messina are now practically finished; among others the Palace of Justice and the greater part of the R. University buildings. On the basis of an agreement made with the Archbishopric of Messina for the re-building of church edifices in that diocese, in which the State has pledged itself for a sum of 175 million lire, some 80 finished and unfinished buildings have grown up, amounting to over 103 million lire; among others the Cathedral restored on the same architectural lines as that destroyed.

In the provinces of Calabria damaged by the earthquake of 1908 equally important reconstruction works have been carried out in the last few years.

The Administration of Public Works has provided for the construction of 5,000 dwellings in the 97 communes of the Province of Reggio Calabria, 4,500 of which have been already finished; 500 are still in course

of construction. In the province of Catanzaro some 157 dwellings have now been built at a cost of four and a half million lire. In these two provinces 52 million lire have been spent on the construction of important public buildings. To these we must add the restoration of 180 parish churches.

Important sanitary works have also been undertaken in the earthquake districts and State grants and loans have been authorized in their favour.

Equally important works have been executed in districts damaged by more recent earthquakes, viz. in Carsia, Tuscany, Emilia, Latium and Carnia.

The restoration works in the provinces of Avellino, Foggia, Potenza, Benevento and Bari, so severely stricken by the earthquake of July 23, 1930, and in the provinces of Ancona and Pesaro stricken by that of October 30, 1930, have been carried on at great speed.

To give an idea of the work already accomplished, we need only recall that on the 30th October last, some 3,746 apartments, grouped in 961 small houses, were assigned to the families left without a home in the districts stricken by the earthquake of the Vulture (1).

The revision of the system of contributions is in full swing and has achieved excellent results. Numerous inquiries had revealed speculations made possible by the scanty control over the contribution system before the establishment of the Fascist Regime.

The frequent occurrence of earthquakes and other disasters which used to find the Administration unprepared, especially in regard to first aid services, has induced the Ministry of P. W. to create an emergency organization for first aid services, such as no other country possesses, not even those more subject than Italy to such natural calamities.

At the time of the earthquake of the Vulture, this organization had ample occasion to prove its full efficiency.

**FLOOD AND LANDSLIDE RESTORATION WORKS.** – Owing to the frequency of the damages caused by landslides and by floods in Italy, an expenditure of 125 million lire has been authorized since 1925.

Of this amount, about 53 millions have been spent on State works and about 74 millions used for grants and loans in favour of local syndicates.

Works are in project for the total sum of 8 million lire and grants for about 32 million lire.

**ROAD CONDITIONS.** – Under the Act of May 17, 1928, no. 1094, strong measures have been taken to provide for the definite organization of State roads and an Autonomous Board has been formed for the

(1) Region named after Mount Vulture, an extinct volcano.

general upkeep and systemization of the road system. The problem of the systemization and upkeep of other roads is still under examination. Meanwhile special measures have been passed to provide for the opening of new roads and for repairing old ones, when necessary.

Moreover, during the last five years, a vast roadways programme has been carried out in Istria, representing a total expenditure of 17 million lire. At the same time fresh impetus has been given to works undertaken by the State, that aim at joining country-towns and villages to the road system and facilitating the approach to railway stations. Thus, the general programme of public works for the Abruzzi, principally concerned with roads, has authorized the building of 96 kms. of new roads, to be added to the general provincial system: 51 kms. more are in construction and 456 kms. have been already added to the communal roads built by the Commissioner's Bureau, while 97 other roads are in construction.

A number of provincial roads are under construction in Campania, for which a total expenditure of 9 million lire has been granted, and about one half of the 244 roads for uniting isolated communes have been financed by the State, up to the total amount of some 60 million lire; 18 of the latter are already completed, while over 102 are on the point of being completed.

In Apulia also, notwithstanding the fact that the road problem is of minor importance, almost three and a half million lire have been expended on the construction of communal roads of approach and for the completion of necessary communal roads.

In Basilicata, some 130 kms. of roads have been opened to traffic, the State having pledged itself for 47 million lire and having arranged payments for over 58 million lire. But it is above all in Calabria, where the programme outlined by the R. D. of March 3, 1924, authorizing an expenditure of 500 million lire, is being carried out, that the building of new roads is most advanced: 582 kms. of which have been opened to traffic, comprising 128 kms. of State roads, 165 kms. of provincial roads and 293 kms. of communal roads: to these must be added 225 kms. still in construction.

The main road system in Sicily is in excellent condition: 2,000 kms. have already been systemized at a cost of 100 million lire, and about 600 kms. of new roads have been completed at a cost of about 230 million lire.

**MOTOR ROADS.** — Since the opening of the first motor road between Milan and the Lakes, in 1925, similar enterprises, aiming at the construction of an important motor road between Trieste and Turin, skirting the foot of the Alps, have been multiplied. After the concession of the Milan-Bergamo and the Bergamo-Brescia roads (the first two sections of the new ped-alpine road) the projects for the Turin-Milan, and

the Padua-Venice sections were presented and definite agreements were reached.

Numerous enterprises have been organized all along this new road, for the building of the remaining sections between Brescia and Verona, Vicenza and Padua, Venice and Trieste: there is also a project for continuing the road on to Fiume.

Important motor roads are being constructed also in other parts of Italy. The road between Rome and Ostia is already finished and in active service. The motor road from Naples to Salerno is under construction, and the first part from Naples to Pompei is finished and in use; but the road from Florence to the sea is still unfinished.

Nor must we forget to mention the new bridge, joining Venice to the mainland and for which the State has pledged itself up to 75 % of the cost, for a maximum amount of 62 million lire.

Other concessions under approval, worthy of mention, are those for the construction of a road between Gargnano di Riva and Trento, and two new roads in Sicily, in the provinces of Caltanissetta and Messina.

**THE AUTONOMOUS STATE ROADS BOARD.** — In 1925 Signor Giuriati called attention to the necessity of carrying out, as soon as possible, a radical reform in the legislation on the classification and upkeep of roads. He also announced that special commissions had been sent abroad to study the organization and maintenance of roads in foreign countries and the administrative organization of road services. In concluding he suggested the possibility of the formation of a special board with autonomous funds placed under State control.

Meanwhile the problem of road improvement was claiming the attention of students, Sport Associations, and the Italian public in general. Important studies appeared, showing that financial sacrifices made on behalf of roads constituted a profitable investment of capital in favour of public economy, while sums saved on their maintenance, though apparently an economy, represent a real loss to the exchequer, which suddenly suffers from a decrease in circulation revenues. This loss also affects the public, which has to pay heavier taxation owing to the more rapid wearing out of roads, besides the increased consumption of motor oils and new investments of capital for the roads destroyed.

This explains the formation, under the Act of May 17, 1928, of the Autonomous State Roads Board, which has assumed the task of providing for the re-organization of our road system.

This Board, which began operations in July 1928, has taken over the management of Government roads already partly built and opened to traffic, measuring in all some 20,622 kms., to which must be added new sections continually being built.

It is estimated that when these sections are completed, the road network managed by the Board will be increased by 450 kms.

In regard to the principal task of the Board, viz., that of providing for the general systemization of the roads, it is well-known that in the beginning the Board decided upon a five-year programme, for the construction of 6,000 kms. of roads. On the other hand, the programme soon proved to be inadequate to the demands of motor traffic and it was necessary to intensify the work of systemization with a considerable shortening of the time limit fixed by the general programme, which had been subdivided into five yearly programmes.

That this has been possible is due to the fact that the Board, besides disposing of ordinary revenues, is also empowered by R. D. of February 4, 1929, to apply to other Institutions, also subsidized by the State, for loans, to meet the payments of the first year's programme. For the remaining yearly programmes the payments will be divided into annuities, comprising both capital and interest.

Since the first two years yielded an increase in the revenues, corresponding to the increase in automobile taxes and road improvement fees, of 40 million lire above the 1,355 million lire of the financial year 1927-28, the programme for the second year has been amplified so as to include the building of 1,500 kms. more than first estimated.

The works for the first programme, begun in October 1928, are almost finished: those for the second programme are in an advanced stage of construction, those for the third programme are either begun or are being contracted for. By November 30, 1929, the following results will have been reached:

Italy	First Programme			Second Programme			Third Programme			T O T A L		
	Cost in Thousands of Lire	Km.	Av. Km. per 1000 Lire	Cost in Thousands of Lire	Km.	Av. Km. per 1000 Lire	Cost in Thousands of Lire	Km.	Av. Km. per 1000 Lire	Cost in Thousands of Lire	Km.	Av. Km. per 1000 Lire
North . .	124,483	425	294	225,372	1,011	223	88,000	461	191	438,215	1,897	231
Central . .	152,874	733	209	80,760	475	170	107,000	638	169	340,634	1,846	184
South and Islands .	83,110	159	523	186,391	904	206	75,000	399	188	344,501	1,462	235
	360,467	1,317	274	492,523	2,390	206	270,000	1498	180	1123,350	5,205	216

We must also take into account another 2,000 kms. undergoing surface improvement. The money for this is found by suspending the ordinary upkeep and occasional systemization of the roads. Thus in the first three years management, on an average of 20,622 kms. representing the whole work, 7,200 kms. were subtracted from the ordinary system of maintenance.

The sums pledged for Ordinary Upkeep are as follows:

Italy	Financial year			Financial year			Financial	Total cost thousands of lire
	1928-1929		Av. per 1000 lire	1929-1930		Av. per 1000 lire		
	Cost in thousands of lire	Km.		Cost in thousands of lire	Km.			
North . . . .	86,762	6,221	14	73,521	5,526	13	69,284	229,567
Central . . . .	54,045	4,662	12	45,622	4,206	11	45,068	144,735
South and Islands . . . .	78,856	9,768	8	85,252	9,619	9	77,350	241,458
	219,663	20,651	—	204,395	19,351	—	191,702	615,760

The smaller expenditure for 1929-1930 was due to the fact that along 1,300 kms. of roadway the works of general systemization mentioned above were not being carried on.

The cost of the Extraordinary Reparation Works, of Extraordinary Systemization and of the building of Bridges authorized for the period of time under consideration amounts to lire 155,141,000, to be classified as follows:

Italy	Financial year 1928-29	Financial year 1929-30	Financial year 1930-31 to November 30	Total
North . . . . .	25,327	16,542	6,770	48,639
Central . . . . .	14,095	8,286	7,650	30,031
South & Islands . . . . .	48,599	18,827	9,045	76,471
	88,021	43,655	23,465	155,141

In connection with the immense volume of the work of upkeep and systemization, the A.S.R.B. continues to display its activity by building new experimental roads, employing the different types of paving advised by modern technical experts. It has also built new toll-houses containing 134 new apartments and has planted 195,000 trees along the roads in the autumn and winter of 1929-1930. It has also compiled a tax-book for the registration of grants concerned with Government roads.

NEW RAILWAY CONSTRUCTIONS. — For the construction of new railway lines the Fascist Government has already paid since its coming into power up to November 30, 1930, fully 364 million lire. Among

the works completed between 1925 and November 30, 1930, we may record the following: the direct Rome-Naples line, which begun in 1907, suspended in 1917, gradually taken up again between 1920 and 1922, was rapidly completed in 4 years, from 1923-27. From the beginning of the work until October 1922, 211 million lire were spent and from October 1922 to 1927, 427 million lire, a total of 648 millions. The Cuneo-Ventimiglia line, completed in 1928, including also the section in Italian territory from the French frontier to Ventimiglia (the other section from the French frontier to Cuneo having been completed in 1900) has only since that date been open along its whole length, for its proper purpose of international traffic. At the present value of the lira, the total cost of this line has been about 370 million lire. Between April 1925 and July 1928, two branch lines, (Legnago-Cologna and Cologna-Pojiana), 28 kms. long and costing about 45 million lire, have been opened for use on the Ostiglia-Treviso line. The Lucca-Pontedera line, 25 kms. long and costing about 50 millions, was opened for use on the 28th of October 1928 and at the same date the Santa Margherita - San Carlo section of the complementary Sicule, Castelvetro-Ribera lines, of the length of 25 kms. and at a cost of 50 millions, was opened while the San Carlo-Burgio section, about 7 kms. long and costing 16 million lire, is finished and will soon be opened for use. On October 28, 1930, the Caltagirone-San Michele di Gansaria section of the Caltagirone-Piazza Armerina line was opened for use; it is 19 kms. long and cost 14 and a half million lire. On the same date was opened the San Michele-Piazza Armerina section, constructed under the supervision of the General Inspectorate of the Railways, and lastly, also on October 28, 1930, the Sacile-Pinzano line, 53 kms. long and costing 70 millions was opened to traffic.

In all, more than 400 kilometres of new railway lines have been opened for traffic: of these 230 kms. are double-track normal gauge lines, 140 are single-track lines and the rest are narrow gauge lines.

Among the lines in course of construction, the most important is the direct Bologna-Florence line, 80 kms. long, which has already cost 1,050 million lire (844 of which have been spent since 1922) and for which the cutting of the great tunnel through the Appennines, the first double track tunnel in the world in length and the second tunnel in the world after the Simplon, has been completed. Other important lines in construction are: the Ostiglia-Treviso, the Savona-San Giuseppe di Cairo, the Vittorio Veneto-Ponte in the Alps, the S. Arcangelo-Urbino, the Fossano-Mondovì-Ceva, the Piacenza-Cremona, the Fidenza-Salsomaggiore, the circumvallation line in Rome and the railway line for the Vatican City.

In all, there are in construction: 126 kms. of narrow gauge lines, 230 kms. of single track normal gauge lines and 220 kms. of double track lines, totalling about 580 kms.



Other important lines are being considered, they are: *a)* the following normal gauge lines: the Opicina-Erpelle and Erpelle-Sappiane, the S. Vito al Tagliamento-Montespino, the Caldonazzo-Trento-Mezzocorona, the Bra-Fossano, the Garesio-Imperia, the Genoa-Arquata, the Rieti-Foro Sabina and the Naples-Nocera lines; and *b)* the following narrow gauge ones: Burgio-Ribera and Agrigento-Porto Empedocle; the circumvallation at Rome and the railway systemization at Palermo.

I will add nothing about railways conceded to private industry, funiculars and automobile services, because these were transferred on July 1, 1927 to the Ministry of Communications.

The facts set forth in the preceding pages, speak for themselves. Ever since the first years of the Unification of Italy, our Public Works Administration has been accorded a place of honour in the consolidation of national unity; to-day it is no less worthy to be proclaimed the great artificer of the economic and civic development of Fascist Italy.

The figures contained in the present article were furnished by the Statistics Bureau of the Ministry of Public Works.

# THE COMMUNICATIONS POLICY

by COSTANZO CIANO, *Minister of Communications.*

The life of Italy depends largely on the sea. The liberty of its communications with the great Mediterranean and overseas producing countries, and the perfect functioning of its maritime traffic are essential conditions, in peace and war, for the existence of the country, not only as an organic and autonomous entity, an active member of the community of nations, but also as an effective fighting force. Though, geographically speaking, Italy is a peninsula, it is nevertheless true that the character of its northern frontiers – defined by an impassable mountainous chain with few railway passes, the potentiality of which cannot surpass certain limits, and which give access to four different countries – compels our people for economic reasons in peace time, for political motives and the necessity of rapid means of transport in war, to make a greater use of the sea routes to import those raw products that ensure its life and normal conditions of work and, when the necessity arises, increase its efficiency in war. For these reasons Lord Balfour warned the members of the Conference of Washington in 1922 that they must consider Italy “almost as an island”, and recalling “the extreme difficulties experienced during the world war by the Allies to supply her even with the minimum of coal necessary to maintain her activity and to keep going her arsenals and factories”, expressed his doubts as to the possibility of Italy obtaining food or other supplies, or continuing to be an effective fighting unit if she were subjected to a blockade or if her maritime commerce were stopped.

We must remember that in 1919, on a total of 39,268,155 tons of goods imported and exported in Italian harbours, 29,337,178 tons came by sea from foreign ports or were shipped to these; and although we have not at our disposal corresponding statistics to compare with these, we may state that by means of the thirteen railway passes of the frontier a volume of goods amounting only to one third of this amount was conveyed, (in the financial year 1927-1928, 9,555,175 tons, in the financial year 1928-1929, 10,052,244 tons). But the fundamental importance of the maritime routes is emphasized by the nature of the goods transported: practically all the heavy commodities and those essential to human life and to the national industry come from overseas, whether for obvious reasons of a geographical order, or for economic reasons (i. e. the cheapness of maritime freights as compared with land transport), or for the greater facility of shipping afforded by the greater capacity of a ship compared with that of a train. It is sufficient to note that of the above-mentioned goods imported in 1928, the greater part came by sea:

a) *Wheat (durum and tender grain)* 2,745,062 tons, of which 2,727,067 tons came from the United States, Canada, the Argentine, Australia, and Rumania (only 22,037 tons).

b) *Maize* : 913,441 tons, of which 875,121 tons are from the Argentine, Rumania, and the United States.

c) *Various oil seeds (peanuts, colza, flax, sesame and copra seeds), peanut and palm oil*: 340,422 tons. Almost all this bulk comes directly from overseas: India, China, the Argentine, the Belgian Congo, and only in a very small proportion by transshipment and after being subject to industrial processes from European countries.

d) *Cotton, ginned and unginned*: 232,488 tons, of which most is from the United States (168,991 tons) the rest largely from India and Egypt.

e) *Coal* : 12,697,081 tons, of which more than ten million by sea routes. 6,438,613 tons came from the United Kingdom, and 4,439,458 tons from Germany: the rest from the Sarre basin, from France and from other countries.

f) *Phosphates* : 619,617 tons: the great majority, 551,218 tons, from Tunis, Marocco, Algiers.

g) *Liquid fuels and lubricating mineral oils*: 969,388 tons, almost all by sea routes, particularly from the Black Sea (410,726 tons) and from the United States (304,497 tons).

h) *Metallic minerals (iron, manganese, lead, copper: 298,133 tons) and metals (scrap iron and cast iron: copper, lead, tin, zinc and aluminium ingots: 1,122,297 tons)*: in all 1,420,430 tons. Although the exporting countries are European, these goods arrive for the most part by sea routes.

On the other hand, our national products and Italian industrial exports are nearly all shipped by sea, on which the country depends for political reasons among others. The sea ensures the most rapid means of communication, indeed, the only one, in the majority of cases, between our islands and the Peninsula. It constitutes the bond by which the mother country succeeds in maintaining contact with her ten million children distributed in great centres throughout the world, and by keeping alive their Italian sentiment, she is able to appeal to them for help in war.

THE ITALIAN MERCANTILE MARINE. - But the full development of our industry depends upon a great and efficient national mercantile marine. Apart from the fact that "trade follows the flag" - a fact unchanged by the rapid progress of civilization even in the most backward quarters of the globe - apart even from the good advertisement that a first-class mercantile marine constitutes for national industries in general, and the great adaptability with which a national marine, wisely organized and assisted when necessary by the State, can lend itself to the varying needs of commercial expansion; apart from all this, it is still advisable to assert once more the necessity of freeing the country, as much as possible, from dependence on foreign services, *both in peace and in war.*

In peace, first of all, so as to cut down the national expenditure in chartering foreign ships and to increase the bulk of our invisible exports, that contribute to make up for the disproportion between the value of imports and that of visible exports. A national mercantile marine, besides, together with the group of special industries connected with it, constitutes a powerful instrument for labour, promotes its development, and increases employment for the mass of labourers which the "great proletariat" nation of many years ago supplied to the world that treated it so disdainfully; — labour that a wise political system now aims at keeping within the country, so that it may contribute to our own prosperity.

We must also bear in mind that, once the present period of depression is over — as all such periods do pass over and make way for times of unusual prosperity, such as we have experienced before now in the shipping industry — the mercantile marine will afford a fine investment for capital, both directly and through the industries that support it, (such as iron works, ship-yards, supply factories which provide everything from cables to paint) and the commercial activities to which it gives rise.

In war time a strong mercantile marine, besides affording the best support to the navy, both as a reserve force of trained men and an auxiliary for cruising and war supplies, serves to protect the flow of supplies from the outer world and contact with it, amid the doubts and hesitation of neutral powers.

But even in the case of a war in which the country is not directly engaged itself, the value of a strong national mercantile fleet is obvious. It alleviates the distress caused by the decline of available tonnage, due to the increased general demand for it caused by war conditions, and, besides relieving immediate anxieties, affords a means of laying in stocks of essential commodities, thus enabling the government to weigh the situation calmly, ponder its decisions, and choose its own time for action.

An efficient mercantile marine depends on two main factors, the first of a psychological, and the other of a technical and financial order. It is obvious that to obtain good service from even the best material, absolute order on board is essential, and this depends in great measure on a perfect understanding between shipowners and crews and between the shipping industry and import and export trade, which must consider one another's interests in a spirit of mutual helpfulness. The time-honoured principle, so well tested in war, that human virtues must off-set deficiencies in material — the concept expressed by the English slogan "the men behind the guns" — is what counts.

Every *sound* system of communications that aims, as it should do, at strengthening the nation, must take into consideration these fundamental needs. And with legitimate pride as an Italian, I can affirm that

Fascism has always based its governmental actions on an understanding of these needs, showing not only its determination but also its power to solve these dependent problems, both by its past action and its plans for the future.

Material progress is being made. Our fleet, which in June 1914 consisted of only 1,430,475 tons gross of mechanically propelled ships, rose in June 1929 to 3,261,932 tons. But these figures are more striking when we reflect that, while the percentage of British and German tonnage in world shipping has, from 1914 to 1929, diminished (by 41.6 % to 30.2 % and from 11.3 % to 6.1 % respectively), Italy's rate of percentage increase (from 3.1 to 4.84) is to be placed only behind the United States and Japan. Now this notable progress – accompanied by an equally effective progress in quality – may be said to have been accomplished in the main since the year in which Fascism took over the control of the State, and particularly in the last five years. In 1922, Italy's fleet of mechanically propelled ships was composed of 1016 units aggregating 2,698,722 gross tonnage; ships that were, generally speaking, of varied capacity and poor efficiency, both as a result of the hurried building of war-time and the exhausting effect of the conflict in which they had been engaged.

In this mass of shipping, of the average tonnage per unit of 2,656 tons, there were only 10 ships of gross register per unit superior to 10,000 tons, (among which the *Giulio Cesare* alone registered more than 20,000 tons); only 18 motor ships with a total gross register of 56,209 tons: 17 tank ships of a total tonnage of 51,118: and 25 ships with a speed exceeding 15 knots. By 1925 there had already been realized a material increase of 232,114 tons, which rose in 1930 to 563,210 tons, while the average tonnage per unit had risen respectively to 2,800 and 2,951 tons; ships of gross tonnage superior to 10,000 tons had risen from 8 in 1925 to 17 in 1930 (among which are 8 above 20,000 tons gross: 329,801 total tonnage); motor ships from 41 in 1925, of 124,901 total tonnage, rose to 173 in 1930, of 511,367 total tonnage; tankers from 28 in 1925, of 128,904 total tonnage, rose to 60 in 1930 of 256,666 total tonnage.

The reason for this increase must in the first place be studied in relation to the changed social conditions of the peninsula, as a result of which, with the revival of confidence in naval power and industry, the future was once again contemplated with serenity and optimism. But it is also true that the Government immediately provided for the adoption of measures to promote private enterprise. So long ago as February 1st 1923 a Decree was issued aiming at the provisional solution of the ship building problem. The fundamental measure concerning this is the Royal Emergency Decree of the 16th May 1926, No. 865, in which, after having put a definite end to the interdependence of ironworks and shipyards, the latter were granted the power to avail themselves on every favourable occasion of the foreign market, by means of the

introduction free of duty, within established limits, of the necessary metals. The former at the same time were granted a certain measure of tariff protection, considerably lower than that established by the pre-war protective laws, but still calculated to permit them to offer the naval constructions industry conditions no more onerous than those offered by foreign ironworks. On the other hand this increase in shipping was also fostered by the re-organization of the subsidized lines, in force since January 1st 1926, together with the obligation of replacing worn-out material. Italian shipyards launched, in 1922, 101,777 tons of shipping, without laying down any new ships, in 1926 they launched fully 250,289 tons; and although the rate has slowed down since that year, it is to be presumed that measures already in force to which we shall allude later will soon again increase this production.

The remarkable technical progress effected cannot all be expressed in figures; but we find an interesting proof of it and of constant, vigorous and effective attempts at improvement, in the statistics worked out by an impartial observer, the German Dr. Sven Helander. He has divided existing world shipping of various dates into three main categories:

1. Ships of at least 5,000 tons gross; 12 knots actual service speed: not more than 25 years old.

2. Ships of at least 10,000 tons gross: 15 knots actual service speed: not more than 10 years old.

3. Ships of at least 15,000 tons gross: 18 knots actual service speed: not more than 5 years old.

Thus he has furnished us with the data for the following table in which the percentage of Italian shipping in all three categories is given in relation to world shipping:

	1914	1920	1925	1926	1927	1928	1929
1st Category	2.38	3.26	4.48	4.53	4.83	5.26	5.02
2nd »	—	6.28	6.09	6.58	5.99	9.03	10.53
3rd »	—	23.12	20.68	27.44	27.59	41.07	32.86

But these figures are rendered still more remarkable and significant if the percentage of high-class shipping is shown in relation to the total Italian tonnage. This is shown in the following table:

	1914	1927	1928	1929
1st Category	13.36	18.11	20.87	21.28
2nd »	—	3.72	6.42	8.57
3rd »	—	2.43	4.57	4.97

From these two tables we can see that *constant* progress is more evident in the ships of the highest class, while the following table gives, for 1929, the percentage of high class shipping of various countries in relation to their respective total tonnage, showing the high position occupied by the Italian Marine, whose predominance is, moreover, absolute in the 2nd and 3rd categories.

	1st Category	2nd Category	3rd Category
<i>Italy</i> . . . . .	21.28	8.57	4.97
England . . . . .	32.11	6.45	0.94
Germany . . . . .	29.68	6.14	0.67
France . . . . .	26.00	4.34	1.28
United States . . . . .	8.96	1.67	0.12
Holland . . . . .	39.10	5.34	1.00
Japan . . . . .	17.02	0.99	—

This position is also shown, although slightly modified in degree, by the following table which gives, likewise for 1929, the percentages of high standard shipping of various countries in relation to world total tonnage:

	1st Category	2nd Category	3rd Category
<i>Italy</i> . . . . .	5.02	10.53	32.86
England . . . . .	53.36	55.83	43.50
Germany . . . . .	8.73	9.46	5.55
France . . . . .	6.32	5.49	8.69
United States . . . . .	9.33	9.03	3.47
Holland . . . . .	8.26	5.88	5.94
Japan . . . . .	5.12	1.56	—

This progress will certainly be maintained as the result of certain measures already in force or under consideration, amongst which we must mention the Decree Law of November 11th 1927, No. 2138, which raised the Italian Register to the function of a technical organ attached to the Administration; the Decree Law of June 23rd 1927, No. 1429, appointing an organization to construct and operate an experimental pond for ship models (this is actually in course of completion in Rome and will be an improvement on all those already existing); the Decree Law of July 8th 1929, No. 1176, which establishes the new rate of subsidy to be granted to shipping companies proportionate to the greater speed of the ships and the improvements of their propulsion machinery; and lastly the safety regulation, approved by Royal Decree of July 10th 1928, no. 2752, which enforces technical precautions of great efficiency for the safety of navigation, having regard to the system of bulkheads, structure, stability, safety apparatus etc. of the ship. This Regulation afforded evidence at the Conference of London in 1929 that Italy (who had already in 1925, extended the powers and increased the severity of the Commissions of Inquiry on accidents, by increasing the number of technical members, adding a magistrate, and enforcing new penalties) is resolved to make maritime legislation extremely rigorous in all that concerns the better safeguarding of human life upon the sea.

But the improvement of the fleet on a big scale – especially the replacing of less efficient material – calls for very ample funds, which our shipping companies did not easily find on the home market. This need has been met – at least in all that concerns shipbuilding by companies running subsidized lines or groups of lines – by the enactment

of a series of measures, among others the Decree Laws of February 10th 1927, No. 200, and of March 13th 1927, No. 303, which introduced certain amendments regarding the cession of the subsidies – already established by the Decree Law of May 24th 1926, No. 945 – by owners of maritime services.

On the basis of the provisions laid down in these Decrees, negotiations were immediately started through the *Consorzio di Credito per le Opere Pubbliche*, with the aim of finding on the United States market ten year and twenty year loans for the Navigation Companies guaranteed by the Consortium.

This operation was entirely successful and so permitted the gradual renewing of the fleet. The Government, however, felt that the problem of financing shipbuilding must be contemplated from a wider standpoint, and we have, therefore, the Decree Laws of July 5th 1928, Nos. 1816 & 1817, establishing the *Credito Navale*, thus effecting a measure that had been appealed for in vain for so many years – almost ever since the Unification of the Kingdom! The special Institute, which, after the necessary preparatory work, is about to commence work, will place, as is known, a milliard lire at the disposal of the national marine, thus enabling it, without great difficulty, to obtain a loan up to 60 % of the value of the ships offered as guarantee.

The Treasury has pledged itself to give a very small contribution to the payment of interest, varying, according to the need, from 2 ½ % to 1%. This will not entail a great sacrifice, for this form of intervention, like all those adopted by the National Government in connection with shipbuilding, does not constitute an artificial measure of *protection*, which would have the effect of stifling private enterprise, but seeks rather to awaken and spur on such initiative. Moreover, as regards naval credit, several national fleets have been helped to a much greater extent, both as regards the sum placed at the disposal of shipyards (England with the Trades Facilities Act, the United States with the *Jones White Act* etc.), and by help in the payment of interest (the above-mentioned countries and France).

This constant, resolute, and successful effort at improvement is the most effective answer to the objection raised by some critics against the advanced age of a certain section of our mercantile fleet. I am convinced that this drawback will be eliminated with time, but, on the other hand, one must understand what is meant by the word « old » as applied to a ship. When, in fact, may a ship be called old? There does not exist in this respect any absolute standard; the limit of 25 years has no absolute value, and against this there is beginning a movement of protest in some quarters of the technical press, even in England, where the necessity of new ships has been so much insisted upon in the interest of shipbuilding. In fact it has been proved that old ships, in a period of economic crisis, have their advantages. It has been shown that the age



of a ship is not a decisive factor in maritime accidents; that old ships, if well built, overhauled and kept in good condition, are capable of rendering useful and excellent service after 25 years.

The increase and technical improvement of our fleet and its consequently increased yield are shown by the more and more preponderant part played by the Italian flag as compared with that played by foreign flags in the traffic of our ports. While in 1922 this amounted to 59 %, in 1925 it had risen to 64 %, and in 1929 to 70 % - foreign shipping having therefore diminished from 41 % in 1922 to 36 % in 1925 and 30 % in 1929. And at the same time the traffic of the ports, which recorded 23,479,917 tons in 1922, had risen to 35,979,692 in 1925 and to 39,268,155 in 1929.

Our traffic with other Mediterranean countries had risen from 3 million tons in 1913 to 3,823,292 tons in 1929, and in this period the proportion of Italian shipping had risen from 65 % to 81 % in 1929. Traffic with northern and eastern Europe remained stationary at 13 million tons, but the proportion of Italian shipping had risen from about 16 % to nearly 42 % in 1929. Traffic with North America had risen from 1,800,000 tons of goods in 1913 to 2,800,000 in 1929; our proportion increasing from 35 % in 1913 to 42 % in 1929. Traffic with the Black Sea, the Sea of Marmora and the Sea of Azov had risen, in spite of the static or retrogressive condition of some of those markets, from 1,700,000 tons in 1913 to 2,069,812 tons in 1929; while the quota of Italian shipping rose triumphantly from 50 % in 1913 to 78 % in 1929. Traffic with South America had risen from 1,300,000 tons in 1913 to 2,210,323 tons in 1929; and our mercantile, marine which carried 40 % of this trade in 1913, carried 47 % in 1929. Traffic with the Indies, the Far East and other countries beyond Suez, had risen from about 500,000 tons to 1,356,886 in 1929; while the Italian quota had increased from 25 % to 62 %.

Our Transatlantic fleet has succeeded in winning a similar predominance in the transport of passengers. We must add to all this that the improvement of the marine has rendered possible the perfect functioning of the subsidized services, clearly divided into *indispensable* lines and *useful* lines. Since emerging from post-war chaos, with a smaller expenditure (amounting to about 53 millions for the useful services and about 159 for the indispensable) we have attained to a much higher rate of mileage, while by means of the useful lines we have firmly established links with some overseas markets in which our exports begin to be much in demand, thus justifying the hope that we may draw in the near future still greater advantages from the slight and diminishing sacrifice made by the Treasury.

It is well to point out that the above-mentioned lines are subject to a State subsidy which is gradually diminishing year by year, and which can only be repaid by increased service, so that not even in this case can one speak of blind protection, but only of necessary help, of an incen-

tive to stimulate energies that show that they can profit by it. As for the indispensable lines, we need only state that it is a question of communication services between our colonies or islands and the peninsula; services necessary to the development of the nation's potentialities, which, if they were not subsidized by the State for political purposes, would not be carried on, since they do not offer any prospect of gain to national, and still less to foreign, shipping.

But all these advantages, it is well to repeat, have been achieved by the most absolute order, an order that is maintained on board ship by the revival of the time-honoured principle that the Captain is the supreme master under God. The sense of discipline and of their duty towards their country has been restored to our seamen, firm measures being adopted in weeding out all those found guilty of offences, and the degradation of any men condemned for theft, fraud, embezzlement etc., or who commit actions repugnant to Italian sentiment or likely to upset public opinion. (Decrees of February 8th, 1923, No. 323; April 26th 1923, No.999; April 19th, 1925, No. 628; May 24th, 1925, No. 1031; September 17th, 1925, No. 1819; June 11th, 1926, No. 1045; December 23rd, 1926, No. 2268; March 20th, 1927, No. 402). But at the same time the interests and the rights of those who show themselves worthy of serving their country on the sea have been safeguarded.

Determined attempts are being made for the re-organization of the Disabled Men's Fund; employment for officers has also been organized (Act of December 16th, 1928, No. 3042), and various conventions adopted at Geneva with the intention of lightening seamen's work have been ratified: minimum age for the employment of boys, at sea (Royal Decree of March 20th, 1924 No.591); compulsory medical examination of boys and youths employed on board ships; (Royal Decree March 20th, 1924, No. 588, and Royal Decree December 27th, 1925, No. 2543); unemployment indemnity in case of the loss of the ship, (Royal Decree of December 27th, 1925, no. 2564). Sanitary conditions and food on board have been regulated by insisting on constant and rigorous vigilance on the part of the port authorities; assistance increased by means of the help given to the *Cassa Ammalati* (Sickness Fund) of quite recent constitution. The State, in short, feels that it is fully carrying out its duties as guardian of our seamen, having further, through the Syndicalist organization, found a way of settling wages disputes without any undue agitation, but efficiently and in a dignified manner. Nor has care for the interests of the men been confined strictly to rights and duties: due attention has been paid to vocational interests by means of the new grades instituted in connection with the new motor apparatus used (Royal Decrees June 19th, 1924, No. 1153 and April 14th 1927, No. 616); also by new measures such as those relating to the new grades that will be introduced in the Mercantile Marine Code now in course of preparation.

These are the results achieved, from the increase of traffic to the financial facilities offered to ship-owners; from the growth and improvement in the quality of our fleet to the building of some of the greatest units of the Mercantile Marine (*Roma* and *Augustus*, the *Counts* of the Sabaudo Line, the two motor giants of the Cosulich Line); from the systemization of the subsidized services of certain lines which penetrate the foreign markets to the order re-established on board ship and the discipline reigning in our ports, where the docks are thronged with hefty men handling new and efficient machinery, proud to be able to take their share in the fortunes of their country.

The Mercantile Marine involves interests of world importance. Its development is an essential condition for the success of our country in the great economic competition. That is why to-day, when the importance of our maritime traffic on all the oceans is so much discussed, it has seemed to me opportune to dwell at length on the Mercantile Marine instead of on the other Administrations under my control: the State Railways; Postal Telegraphic and Telephones services; Inspection of the Railways, Tramways and Automobiles – which, however, have equal importance and are not less worthy of attention for the progress achieved in these last years.

**RAILWAY TRAFFIC.** – In the administration of the State Railways the work of the Fascist Government may be divided into two periods:

The first and very short period, in which a rapid organisation was effected in the emergency administration, together with a thorough revision and, where necessary, weeding-out of the staff; while strict discipline and the most necessary measures were introduced.

The second, which began with the new organization of the Ministry of Communications, is of course inspired by the same principles as before, but necessarily represents a period of more patient and methodical work; all branches and the minutest details of the railway service were overhauled so as to achieve everywhere the greatest technical progress and hence the maximum yield.

This work is still going on and embraces everything, from the machinery to the rolling-stock and the men. Its results are obvious.

In the last six years the train service has been improved and extended, especially passenger traffic (from 122 to 148 million Kms); but at the same time we have been able appreciably to reduce the actual number of the staff and the cost of means of traction, while improving the output. For every million kilometres covered by the trains, the employés have actually decreased from 1385 to 1141.

Electric traction has been greatly extended, so that now it covers one-fifth of the lines.

Thanks to careful technical attention to the steam locomotives, notable economies have been effected in the consumption of coal, the amount

decreasing in the same six years from 58.4 to 51.2 kgs. per thousand tons per kilometre.

Another important fact worth mentioning is the amount paid out in compensation for theft, damage, etc., in the goods service. Before the establishment of the Ministry of Communications these indemnities represented a percentage of 1.28 on the cost of the goods carried; now this percentage has fallen to 0.06, that is to say to one sixteenth.

The State railway system, covering about 16,750 kms., is assisted by a large group of public railways conceded to private industry, and of extra-urban tram-lines, which must be considered as railways of a secondary order; in all 9,339 kms., of which some hundreds have been constructed or radically reorganized in the last few years, most of them being electrified.

The whole system of railway communications is in its turn completed by a vast system of public motor services, covering more than 69,500 kms., with a fixed itinerary, under State control, and a fixed working system laid down in the concession contract.

Of these lines, about 73,000 kms. represent the increase from 1926 up to now, without counting the services of autobuses for tourists which function mainly in the season, and which in the year 1930 covered about 35,000 kms.

To complete the account of internal traffic which comes under the control of the Ministry of Communications, we must still add the city tramways, the funiculars and cable railways, and the internal navigation services, especially those concerned with the lakes.

While efforts were being made to develop and improve the various categories of transport farmed out to concessionaries for plant and rolling stock, steady progress was being made in the attempt to render supervision more efficient and constant. These services, like the railways, are now required to notify immediately all difficulties or delays to the central office. Certain essential rules have been adopted to impart to these services the necessary uniformity and discipline.

**POSTAL, TELEGRAPH AND TELEPHONE SYSTEMS.** — The institution of the Ministry of Communications implied a new organization also for the Administration of Posts and Telegraphs. In 1925 this was put under an autonomous management, and in the following July the urban telephone services and the inter-urban services of minor importance were ceded to private enterprises, while entrusting the more important lines of communication to a special body. The results obtained show clearly how opportune was the formation of these new services, capable of meeting the growing needs of national life.

The remarkable and constant reduction of staff and the technical improvement of the services are the two characteristic features of the progress achieved in the Post Office and explain the higher yield shown

also in the apparent contrast between a more flourishing service and a smaller number of employés.

One of the improvements most obvious to the public at large is the centralization of the services in the new, large, airy and decorous headquarters, which also represent a hygienic and general improvement for the staff. New, handsome, and efficient buildings have been erected in many cities, and many are now in course of construction, while new mechanical arrangements are being made for the installation of the great station of Milan.

The telephonic progress of our country has really been remarkable. The State telephone office, responsible for the great lines of communication, has provided for the erection of numerous aerial lines of double copper wire for thousands of kilometres, and the construction of a great part of the vast national underground cable intended to serve as a link with all regions and to assure to the larger cities excellent communications also with foreign countries; it is hoped that this cable will be completed by 1931, as far as concerns northern and central Italy, and by 1935 for southern Italy and Sicily. There has also been laid down a submarine cable for communication with Zara, and a submarine cable is in course of construction for communication with Sardinia, for which meanwhile a radio-telephonic line has assured excellent communication with the Continent.

One result of the work of the Telephone Concession Companies, carefully guided and controlled, is the great extension of the city telephone services in all the most important centres of the kingdom, a result achieved mainly by the introduction of the automatic system. Since July 1st 1925 there has been an increase of use of more than 80 %.

The radio-electrical services have been especially cared for, partly by means of vast and complex legislation concerning the security of navigation and the safety of human life on the seas; and also by the development of broadcasting, a powerful means of instruction as well as of enjoyment.

The following important measures must be mentioned here: the erection of a radio-telegraphic station at Cagliari, which is already functioning for long-distance service; the establishment of a multiple radio-telegraphic centre at Coltano, capable of functioning according to the most up-to-date methods and able to communicate with steamers in any sea; the erection of new wireless stations at Bolzano, Genoa, Milan, Naples, Palermo, Rome and Trieste.

The new Roman station of St. Palomba, of the capacity of 50 K.W., and the other short wave station of the same city will admit of the reception of wireless news from the Mother Country even in our farthest colonies.

One of the most clearly marked characteristics in these last years of the activity of the Ministry of Communications is the mutual aid both at the centre and out-side it as between the various Department.

We have had examples of emergency collaboration during unforeseen and exceptional events. On the occasion of the eruption of Etna the railway service was immediately replaced along the Ionian coast of Sicily by a maritime service. In various cases of interrupted railway service, by reason of floods, in Lombardy as in the Basilicata and elsewhere, the organization of automobile services along the ordinary roads has rendered it possible for communications to be continued.

I have, moreover, sought to promote and develop the spirit of co-operation in the ordinary routine work of the several branches of the service of the Communications Department, in order to achieve unity of direction and economy.

In this work of coordination and liaison as in the ordinary work of every day, I have always had the most willing cooperation of the workers, from the highest functionaries down to the lowest grades. Employés of the Communication services form all the year round a compact army mobilised at the orders of the Duce.

# THE ITALIAN COLONIES

by EMILIO DE BONO, *Minister of the Colonies.*

No fair study of this question can overlook the peculiar and difficult situation with which Italian colonial enterprise has had to contend during Italy's few years of colonial possession. In the circumstances, we have good reason to be proud of the results achieved in culture, finance, business, safety, and prestige.

We found a complete lack of organization in our colonies: no safe harbours, no means of communication with the interior, nor even any resources that could be immediately or easily exploited. Even in Libya – which is the territory best suited, by its proximity and climate, to receive at least a part of our superfluous labour – we had to face serious obstacles, created by the conditions of ownership of the land, most of it being either private property, or inalienable, owing to its being owned collectively or by religious orders.

In these difficult circumstances and often surrounded by suspicion – promptly dissipated, however, by our straightforward conduct – Government and colonists set silently to work to redeem a land which centuries of neglect on the part of inept peoples had reduced to barrenness.

The inevitable check produced by the world war and after-war conditions – which reacted on our colonies more acutely than could have been foreseen – paralyzed our activities just as we were beginning to make a good start; but a promising recovery supervened, due, without question, to the talent of new men and energies retempered in the long struggle.

Having weathered the early and stormy days of conquest and the establishment of our rule, and acquired the first necessary knowledge of agrollogical and natural conditions and the organization of economic life, we started at a quick and steady pace on our colonial march. The geographical map of our possessions is rapidly being filled in with clearly delimited boundaries, the names of new peoples, new roads, new crops, vast reclaimed areas, land cultivation, forest exploitation, and industries that depend upon agriculture for their raw material. The steady agricultural conquest of the Tripolitanian steppes, the reclamation of its continental dunes, now clothed with vegetation, are grand and persuasive truths. no less than the damming of the Gasc at Tessenei and of the Webi-Shebéli at Balgari and Genale for the irrigation of thousands of hectares to be sown with cotton, of which we stand in so much need.

But colonies provide scope not only for capital and agricultural enterprise, but also for technical and scientific ability. The rich Italian bibliography of our colonies already records works of fundamental importance that have diffused throughout the world a knowledge of terri-

tories hitherto totally unknown. The research and experiments of botanists, agronomists, geologists, doctors, chemists and biologists, with special works, laboratories, and experimental stations at their command, are now revealing a whole new world of facts and phenomena.

If some people still think fit to accuse us of lack of enterprise or of a want of colonial ability and colonial maturity, we can only answer that all that has been accomplished in our colonies – areas poor in natural resources and in the possibility of “quick returns” – is the work of a Nation that has known how to supply lack of means by energy, method, and, above all, by the burning flame of faith and the self-sacrificing spirit natural to our people – age-long builders of greatness and organizers of work in all countries and all latitudes.

The period of Mussolini's government, and more especially the four years from 1927-1930, has been a time of intense and fruitful activity throughout our African possessions, both in the political and military sphere and in the administrative and economic ones, an activity due to the keen minds and fervent spirits of those in charge of colonial matters.

The activity of the Administration is first and foremost addressed to consolidating Italy's firm hold on the two Libyan colonies; rendering her possession of the territories of Northern Somaliland as sound in law as it is in fact, and developing the favourable political situation in Eritrea in relation to Abyssinia and South Arabia.

Simultaneously, however, it aims at prosecuting, tenaciously and confidently, and assisted by generous financial grants, the fulfilment of the several programmes for developing and improving the country, which our prestige as a colonial power demands.

Communications by sea have been speeded up and improved during these last three years by the entrance into service of rapid motor vessels which have rescued even our most distant colonies from isolation. The railroads of all our colonies are being carefully studied with a view to replanning their lines, to render these more consonant with the demands of traffic and public and private business.

The rolls of the colonial staff were revised in 1928, so as to render the service more elastic and more adaptable to the different and complex functions to be performed. The administrative and political subdivisions of our East African Colonies have been radically re-organized; those of Libya more clearly defined. All public services have been improved to keep pace with modern technical requirements, as far as budgetary limitations allow.

We may say without hesitation that our Colonial Administration – especially during the years 1927-1930 – has devoted itself assiduously and *con amore* to our African possessions, where civil servants, officers, and colonists now feel themselves adequately supported in their strenuous



daily life, while the native population appreciates more fully day by day the efforts Italy is making on its behalf.

### TRIPOLITANIA

The renaissance of Tripoli during these latter years divides itself into three distinct and successive periods.

1) The governorship of Count Volpi di Misurata (1921-1925), which, during and after the re-conquest operations (1922-24), endowed the Colony with an admirable civil organization and re-planning of buildings and streets, thanks to which, with its charming and modern Capital, Tripoli, it is now beginning to attract travellers and tourists.

2) The period from 1925 to 1928, when I was Governor – dear, unforgettable days to me – during which, having completed and perfected this organization, we started to carry out the programme of rural colonization that my predecessor had roughly traced, and embarked on those big cycles of military operations that carried us to latitude 29° N., where we halted to consolidate our position before making a further advance towards the southern territory.

3) The Governorship of Marshal Badoglio del Sabotino, who has during these last two years been perfecting and intensifying works to reclaim the land throughout the Colony, while in the politico-military field, he has completed our conquest by the important operations which culminated in our recent re-occupation of Fezzan.

The Libyan operations at 29° parallel N., conducted in concert with the Governorship of Cyrenaica from January to May 1928, aimed at firmly extending in depth our hold along the whole line of our bases, from the western boundary of one colony to the eastern boundary of the other; and we were entirely successful in achieving these aims.

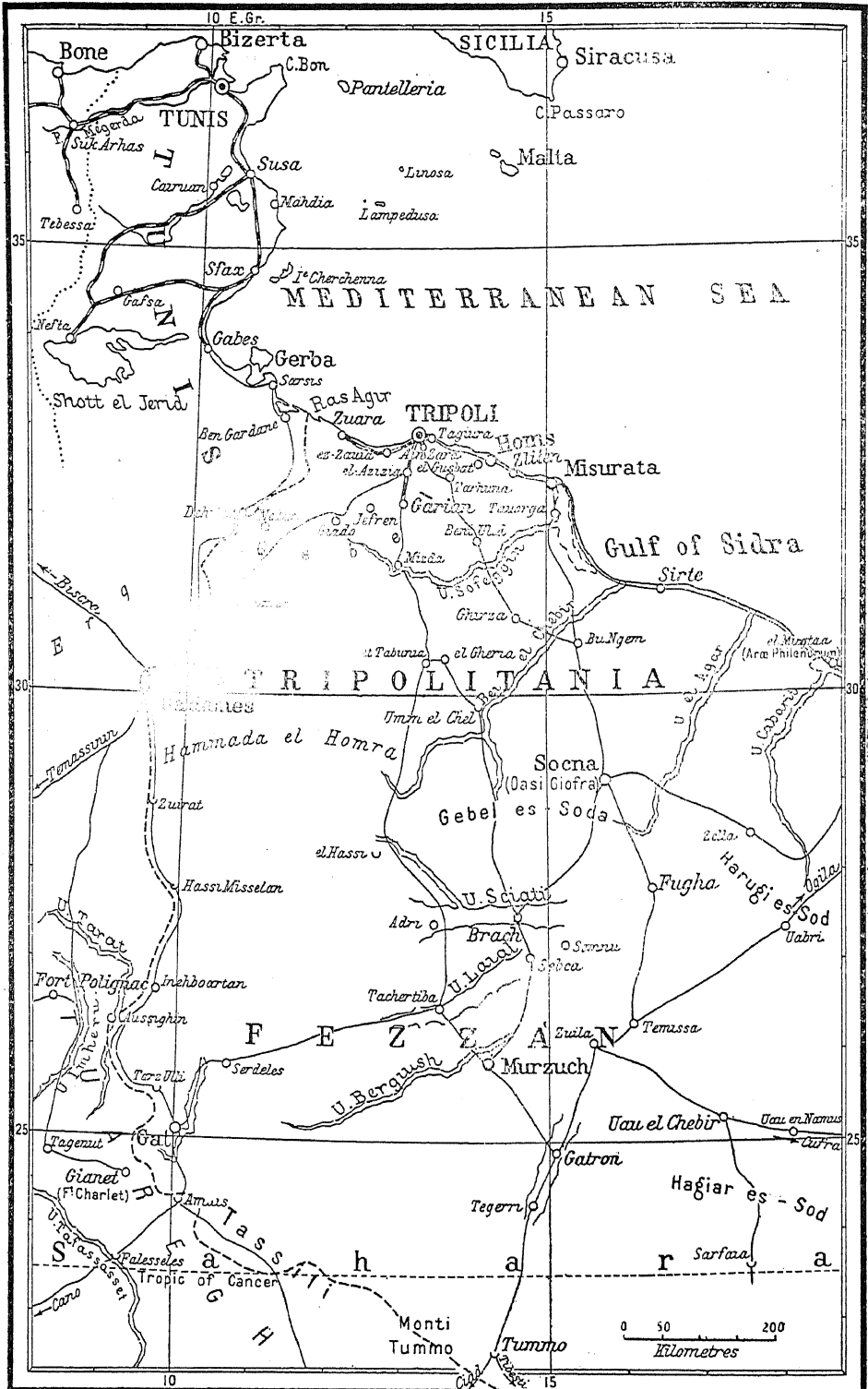
By degrees, as the regions reconquered by our arms settled down again, after the vicissitudes of the years of European war and those immediately following it, the economic conditions of Tripoli began to recover and became more consonant with its real resources and the expectations of the Country. A glance at the aggregate figures of our sea-borne trade and those of the Colony's own revenue from taxes, duties, tolls, etc., gives some general notion of the steady and marked progress that has been made.

#### Trade movement

1925	Lire	221.800.000
1926	»	252.000.000
1927	»	268.800.000
1928	»	284.700.000
1929	»	285.100.000

#### Colonial Revenue

1915-26	Lire	54.800.000
1929-30	»	101.500.000



These figures are telling evidence of the undeniable progress that the now pacified colony has been able to make in the brief course of a few years.

Everyone is aware that Tripolitania's future prosperity centres almost exclusively round her agriculture. Her trade with neighbouring countries cannot either now or in the future constitute an important factor, except as a function of the trade in agricultural products and, eventually, the manufacture of these. But ever since 1926 the sure agricultural value of Tripolitania has left no room for doubt. Up to the close of 1925, 34,347 hectares of land had been given in concession; in 1929 this figure had risen to 116,759 hectares, out of an aggregate area of state-owned land of 179,663 hectares.

During these last years Italian colonists and native farmers have been receiving valid support and assistance from the government: conditions governing concessions have been entirely re-cast and regulated by the enactments of 1928 and 1929; a number of important subsidies for land reclamation among other things have been secured to the colonists. The results have outstripped our most sanguine expectations: immense areas of land along the coast-line west of Tripoli, towards Zavia and Zuara, and eastward towards Tajura, Homs, Sliten, and Misurata, as well as to the south, right to the foot of the Gebel, are being transformed into flourishing vineyards, olive groves, and plantations of almonds and other fruit trees.

The Direction of Colonization and the Office of Agrarian Services, together with the nurseries and experimental fields under their control – the splendid one of Sidi-Mesri among others – guide and organize all these activities; they furnish young plants, seeds, and farm materials and accoutrement to the colonists; while the Savings Bank (*Cassa di Risparmio*), established and endowed by the Government, assists them as necessary with land and farming credits. During the last two years Malta and certain cities of northern Italy have been receiving the first fruits – in more senses than one – of the market gardens of Tripolitania. The industry receives all due encouragement locally and is regulated by recent special dispositions, whereby the local Agrarian Association provides for placing early garden produce on the various markets, while advancing a considerable part of the proceeds to the farmers.

The crop and trade in esparto-grass – a raw material in the manufacture of cordage, paper, etc., – are flourishing once again, thanks to adequate provisions, recently studied and adopted by the Government, aiming above all at unifying methods of cultivation, gathering, and use. The cultivation of tobacco, controlled by the Treasury, is growing in importance; the tobacco grown is manufactured, together with crude tobaccos imported from abroad, in the Tripoli factory, which employs over 100 specialized workers. The output is partly sold on the local market or in Cyrenaica, but the greater proportion is packed off to the Monopoly depôts of the Kingdom.

In the industrial field proper, the most conspicuous activity of the Colony is on the sea: the tunny fisheries represent a considerable resource; during favourable seasons the capital invested on the plant and running expenses yield good profits. The fishing industry, which suffered a slump owing to unfavourable conditions in 1926, 1927, and 1928, recovered in 1929 and 1930, and showed a promising upward tendency, to judge from the number of tunny fished: over 8,000 and 7,000 respectively, representing a value from 7 to 8 million lire. The sponge fishery is less striking, but not less important; neither in quality nor quantity are the products, however, equal to those of Cyrenaica, which is better equipped for this industry.

Tripolitan salt is still exploited as a State monopoly, and the plants of El-Mellaha – equipped with the most up-to-date machinery and apparatus, 75 hectares of evaporating pans and 11 salterns – have yielded during the last working years nearly four times the quantity obtained in 1925 (30,000 as against 8,000 tons), while the yearly output is always absorbed, for the needs of the Mother Country, by the Royal Salt Monopoly. Negotiations are about to be concluded for financing a new and splendid concern, to be established in the Pisida region, a few kilometres from the Tunisian frontier, for the purpose of recovering potash and magnesium salts from sea water by the heat of the sun alone. The success of this enterprise – the result of study and experiments in which the Colonial Government has invested considerable capital – may emancipate our Country, at least partially, from the need of purchasing potash fertilizers abroad for the national agriculture, as well as other raw materials needed in the artificial silk industry and the manufacture of munitions.

Having fully realized the importance of an adequate system of communications, a *sine qua non* of stable rule, the Government of Tripolitania has always given consideration to the steady improvement of shipping, railway, and roadway services; and a sound locomotion and transport policy, started in 1927 and greatly developed during subsequent years, has resulted in endowing the Colony with rapid means of communication with the Mother Country and a system of ordinary roadways and railways that reflect much credit on the statesmen responsible for it.

While on the subject of communications, we should mention that in 1928 the weekly Ostia-Syracuse-Tripoli air-line was inaugurated, with « Super Wall » machines, making it possible to leave Ostia and reach one's destination on the same day; since 1930 this line makes three trips a week.

In 1929 work was re-started in connection with the Azizia-Henshi El-Abiad trunk line of the railway line from Tripoli to Garian, which latter locality will be reached at an early date. The schemes for the construction of the lines from Zuara to the Tunisian frontier and from

Tripoli to the Mesellata, at Homs, Zliten, and Misurata, are about to be re-taken into examination.

New public post-offices and wireless telegraph offices have been opened during the last four years, and the construction of a great roadway system for heavy motor traffic to serve the big lines of communication and link up the colonization zones with one another is being promoted; while existing roads are being restored and new ones constructed, involving a big outlay of capital. In accordance with the policy of the National Government, arrangements are being made to enlarge hospitals and to institute new clinics in the centres heretofore unprovided, to build schools, and install electric light at Garian, Zavia, Azizia, Tajura, and in severall other localities.

Special attention is, as ever, being devoted to the capital, Tripoli, which is definitely taking on the aspect of a modern town, supplied with all the municipal services and comforts to be met with in the more important Italian cities. Thanks to its excellent condition, it is beginning to attract tourists, especially in spring, during the period of the yearly trade exhibition (*Fiera Campionaria*) – a highly attractive feature of our colonial business activity. This important fair, held for the first time in 1927, has been reopened during the following years with a considerable concourse of Italian and foreign visitors. The 1930 exhibition, which was better organized from all points of view, took the position of an inter-African and international exhibition.

The returns of banking business reflect the widespread and manifold activities of the Colony. The business of the Tripoli branch of the Banca d'Italia, from 1,747 million lire in 1925, rose to 2,380 millions in 1928, and approached 3,000 millions in 1929; that of the Banco di Napoli rose from 285 to 347 millions; that of the Bank of Sicily from 976 millions to 1,261 millions; that of the Banco di Roma from 1,482 millions to 1,734 millions. The Savings Bank, which is the biggest local institute for land and farming credits, after a few years' business, had already attained, in 1929, to a turnover of 500 millions.

## CYRENAICA

The last four years have been closely packed with events in Cyrenaica, firstly owing to the big operations at 29° parallel – which I have already recorded in speaking of Tripolitania – and the subsequent occupation of the Saharan oasis of Aujila-Jalo and Marada, and especially the occupation of the Cufra Oasis in January of the present years. This latter operation, in which 1000 men, 5000 camels, 275 auto units and 15 aeroplanes were engaged, has been a convincing demonstration of the efficiency in fighting and logistics of our colonial troops.

There is no need to dwell here on the importance of this occupation, which has already been widely commented in the press of all countries. I will merely recall that, ever since 1925, it has been recognized that our two Libyan colonies could not be regarded as safely in our possession until they had been completely occupied to the confines of Ghat, Tummo, Morauk, Wau-el-Kebir, and Cufra. Thus we have the satisfaction of knowing that our programme of political consolidation, after the interruption caused by the Colonial losses of 1914-15, has been carried out with method and determination.

Mussolini's Government can pride itself on having at last faced the whole problem of the pacification of Cyrenaica, which had been a thorn in the side of all previous Governments. And it is no small satisfaction to note that the rebels have not only dropped their aggressive attitude and obstinate resistance, but that the rebellion shows signs of complete collapse.

This success was in large measure due to our putting a stop to all connivance and relations between the rebels and those who had submitted. While the foreign press has stressed and exaggerated certain rigorous measures which had to be adopted to achieve this result, it is futile to blind ourselves to the fact that such rigor was essential in the circumstances; and that after the unsuccessful efforts made in the past and the preceding systems vainly applied in Cyrenaica, Fascist Italy acted according to her rights for the maintenance of her dignity as a colonial power.

All these events, which inevitably reacted on the Colony's internal political situation, have not, however, arrested its business progress: thus sea-borne exchanges have risen from 185.6 million lire in 1926 to 285.8 millions in 1928, and, after a considerable falling-off in 1929, made a fine recovery last year, during which the customs brought in a revenue of over 21 million lire and colonial revenue as a whole – duties, taxes, etc., – rose from 51.1 millions in the 1925-26 financial year to 58.5 millions in 1929-30.

Notwithstanding the Government's good will, it has not proved possible to carry out such a big colonization programme in Cyrenaica as in Tripolitania, by reason both of the ups and downs in conditions of public safety, and the small acreage of land at the State's disposal. But the modest work of land improvement set going in 1926, assumed during the following year concrete shape and organization, with the influx of hard-working Italian colonists; while the whole question of concessions, regulated by the same measures as those adopted for Tripoli, has been placed on a sound footing, answering to the local requirements for reclaiming the land which, by reason of its natural fertility, lends itself admirably to farming.

The government of the Colony has promoted agrarian institutions for the support and guidance of private enterprise by organizing experi-



mental stations at Benghazi, Barce, and Cyrene. A new direction has thus been given to fruit culture and market gardening, to which perfected methods of irrigation are now applied.

A factor of capital importance for the profitable exploitation of lands in dry climates consists in exploring the subsoil for water: this work has been progressively encouraged during the last few years by drilling underground and by a whole new organization, which affords the colonists promise of success in the most arduous farming undertakings, thanks to abundant finds of water. Especially all along the coast line an interesting and promising revival is taking place and market gardening is doing well here. Banana cultivation, which the Government is encouraging by offering prizes and by other means, made headway in the Derna Oasis during the four years from 1927 and 1930.

Among works of land reclamation, that of the Guarsha desert merits special mention; here the work of our colonists and the use of adequate capital has converted the desert into a flourishing land, sown with vegetables and vines. So as to encourage industry by showing what can be done, the Governorship handed over to the penal establishments of Coefia and Rahba vast zones of land, where vegetables and fruit have been sown and cattle reared for dairy produce to supply the urban centres. Side by side with these so-called "comparison" farms, or model farms, a number of small properties, farmed directly by their holders, have sprung up. The development of these small properties is an interesting feature deserving attention.

Forest produce is an important feature in Cyrenaica. This yields a number of essences used in carpentry. The forest militia has recently been appointed to supervise and protect the forests; it is also responsible for reforestation in regions that have been mercilessly devastated of their luxurious and beneficent vegetation.

Cyrenaica does not offer any great opportunities in the industrial domain, and in any case these are subordinated on the complete pacification of the colony. Some modest progress – dependent on the progress of land improvement and exploitation and on the wild crops gathered – is, however, being made: the esparto grass crop and trade have recently been regulated technically, with excellent results.

The fisheries here, as well as in Tripolitania, are of primary industrial importance: the sponge fishery already represents a yearly value of 8 million lire; tunny, though obtained from a single fishery, gives a valuable yield; it is canned whole and sold on the local market for revictualling the troops; the salt deposits of Benghazi (Juliana, Gariunes, and Canfuda) yield an output of some 30,000 tons annually, which can be increased to 100,000 tons when the plants are completed.

The serious question of the Port of Benghazi is about to be settled at last: works for the construction of the outer harbour are already in



hand and will facilitate the loading and discharging of vessels under all weather conditions.

A big programme is being carried out for building roads between centres in the interior and the coast, and between the latter and the colonization zones; considerable sums have been appropriated on the colonial budget for this purpose. And in addition to road construction, the railways are beginning to make progress: in December 1927 the last tract of the Benghazi-Barce line was opened; the Benghazi-Soluch line had been opened shortly before. Plans are again being studied for laying down the Barce-Derna and Soluch-Agedabia railway, as soon as the present check, dependent on the budgetary situation, is past. Works of land reclamation as well as sanitary schemes are being actively studied. An undertaking for the recovery of the El-Garig lowland is to be carried into effect at the earliest possible moment.

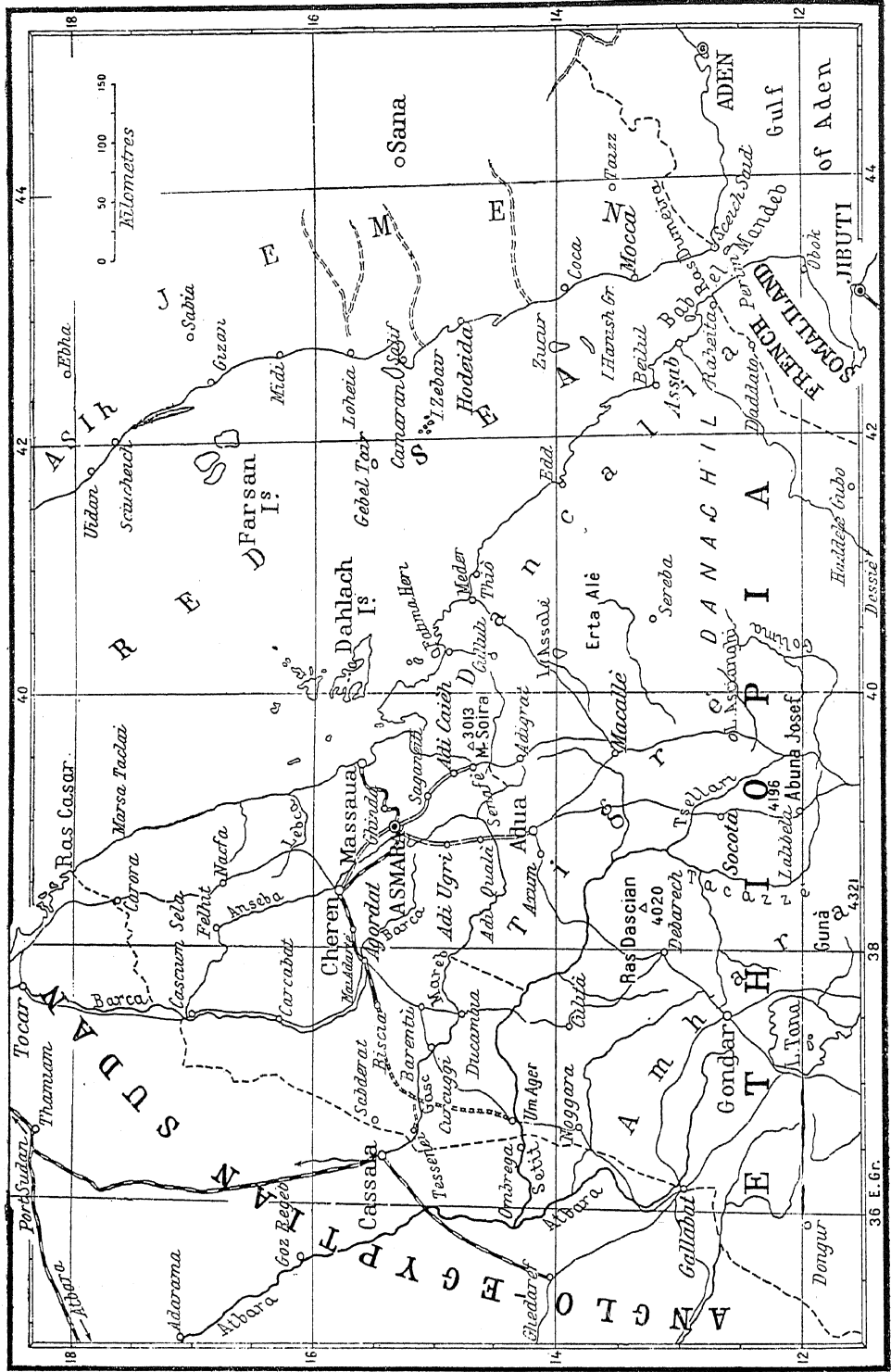
Derna, Barce, and Cyrene, no less than Benghazi, are taking on the aspect of modern towns, with proper hotel accomodation available. Benghazi, like Tripoli, is receiving special attention: a number of public buildings, houses for civil servants, and dwelling houses are rapidly growing up. Before long the new theatre, with accomodation for 2,000 onlookers, and the big Italian market will be opened. The work on the new Catholic Cathedral, begun in 1927, is making headway, and will probably be completed before the close of this year.

The returns of the Cyrenaica Savings Bank, the Bank of Italy and the Bank of Naples, in addition to those of the Cyrenaica Savings Bank, bear witness to the fact that the Colony's business is on the road to healthy recovery and consolidation: the figures for the Bank of Italy amount to two and a half thousand million lire; for the Bank of Rome to one thousand millions, and for the Savings' Bank to 465 millions during 1929.

## ERITREA

With a view to enlarging as far as possible the sphere of influence of this Colony and to utilizing its natural position as an observation centre for notifying problems relating to our policy in the Red Sea and Ethiopia, the Fascist Government during recent years has pursued a programme of expansion and the establishment of our influence, which, without interfering with the interests of other countries, should promote the well-being of our own possessions.

This policy led to the known negotiations with the Yemen and Ethiopia. These diplomatic understandings must now take practical shape and be carried into effect, and for this end it is necessary to overcome local difficulties, created by the unstable situation of the different Arab States - now fortunately settling down - recent events



in Ethiopia, and the constant turbulence reigning there. We have also to overcome jealousies and diffidence of all kinds, as well as the adverse situations unfortunately created by those who, after all, ought to be at one with ourselves in joint European interests.

The financial situation is unfortunately against us at the present time; but we have no intention, on this account, of arresting our work and programme of peaceful penetration and expansion, which, on the contrary, is being pursued with tenacity and confidence.

Eritrea, which is the only one of our four Colonies of a predominantly commercial character, has intensified during recent years trade exchanges with neighbouring countries and with Italy, the value of her sea-borne trade having now attained to the respectable figure of 300 million lire, while trade by caravan with Abyssinia has increased from 119.6 millions in 1925 to 127.8 millions in 1928. Exports show a tendency to increase, to the obvious advantage of the trade balance, which was formerly too heavily weighed down by imports, owing to the need of bringing in commodities essential to the civil and economic equipment of the Colony and the provisioning of its population. Taking a closer view of trade progress, it is significant to note that the customs returns for 1929 amounted to 10 million lire as against 7 millions in 1926, without counting that the bulk of these goods, carried by sea, are of Italian origin, and subject only to a modest statistics due, while goods brought in overland do not give any contribution to the budget. The revenue from post and telegraphic services, which bears uncontestable witness to the volume of business, already exceeds two million lire. The aggregate value of the Colony's own revenue during the fiscal year 1929-30 rose to 23.4 million lire.

As regards agriculture, Eritrea does not yet produce enough cereals for her own consumption; but with a view to intensifying production the State agrarian services have been providing, since 1928, for the distribution of seeds, various tools and apparatus, and even chemical fertilizers, either free of charge, or against reimbursement of out-of-pocket expenditure.

The low-lying areas along the coast, to the east and the west, lend themselves to the cultivation of cotton, which the native population has carried on to a greater or lesser extent for many years past. In order that this cultivation may attain to real industrial importance, the Government has, during these last years, been organizing the important work of reclaiming the Tessenei region on the Gasc, on the Sudanese frontier, where 10,000 hectares of alluvial land have been drained and, to a great extent, sown with cotton and durra, a crop-sharing system having been adopted with the local growers pending the taking over of this cultivation by a recently formed Italian Company. Meanwhile, this great enterprise, in which a considerable capital advanced by the colonial budget has been employed, is providing work and well-being

for hundreds of native families. During the 1930 agricultural year, 2,400 hectares were under cotton cultivation.

In February 1926, a special legislative enactment provided for re-ordering the complex question of farm concessions; it being established that the whole of the plateau-land shall henceforward be reserved to the native population. Respect for property in land is known to touch a sensitive chord in the heart of the natives, and we are now gathering the fruits of our new policy. Now that the population has again settled down quietly, these fruits would certainly be more copious and tangible, but for the terrible plague of locusts from Abyssinia, which has devastated the plateau-land crops during these last years.

Since 1927, the Caramelli factory for canning meat has been working at Asmara, and is already preparing thousands of tins a day, which are distributed among the coloured troops, both locally and in Libya. The rational exploitation of the live-stock capital of Eritrea is regarded as a problem of primary importance, and one that must be competently tackled so as to get full value out of this truly considerable property.

The importance which the Eritrean salt industry is beginning to assume deserves notice. The plant of the old salt mine of Massowah has been renewed and amplified, and is now capable of a yearly output of 120,000 tons; two further salt deposits have been found at Assab and Wakiro, both exploited with Italian capital with ups and downs of prosperity, especially in the recent critical days, aggravated by the Indian question.

The fishing industry and the preparation of dried, salted, and cured fish, is growing in importance from year to year; the produce – which in 1929 amounted to 479 metric tons – being well launched in Egypt. Exports of mother-of-pearl and « trochi » shells, used in the manufacture of pearl buttons, attained to a total value of 8.3 million lire last year.

Sea communications with Italy and with Somaliland have formed the object of special measures ever since the end of 1926, when the two big steamers, the « Giuseppe Mazzini » and the « Francesco Crispi », each with a register of 12,300 tons, were put into service on the Genoa-Massowah-Mogadisho-Zanzibar line. Works for the enlargement of the port of Massowah are now in hand, involving a total expenditure of 15 million lire. Once this port is completed, Massowah will be one of the most convenient and capacious ports on the Red Sea and the East Coast.

Railway communications benefited in 1927 by the new Cheren-Mai Adartè tract being opened up to traffic, and in 1928 by the opening of a further tract (Mai-Adartè-Agordat) of a total length of 86 kilometres; while the programme of work for the extension of the Massowah-Agordat line through Omager on the Ethiopian frontier is under consideration. 310 kilometres of railroad are in running service up to date, while plans are being studied for constructing a branch line, 30 kilometres

in length, of the Mai-Adartè-Tessenei line, so as to put the Tessenei plain in communication with the plateau-land.

High-power wireless services were reformed in 1928 by the installation at Asmara of a short-wave station, in communication with Rome, Mogadisho, Cairo, Aden, etc. The roadway system has also been amplified: the routes for heavy motor traffic, in southern Dancalia – which had remained up to the present in a state of the most fearful isolation – are worthy of special note.

The town of Massowah has claimed the Government's particular care, for the reconstruction of roads, *piazze*, and buildings for public services which were devastated by the 1920 earthquakes; while the port has vastly benefited by the construction of a cold storage plant to preserve agricultural produce, meat etc., while waiting to be shipped. And, lastly, the installation of a new electric power-station for the purposes of lighting and motor power for local industries, is being built.

To sum up, the Fascist Government is satisfied that it has spared no efforts to safeguard the interests and development of our first-born Colony, notwithstanding straitness of financial means. The evidence of facts is there to prove it.

## ITALIAN SOMALILAND

Following on the happy conclusion of the military operations initiated in 1925, Italy in 1927 definitely and firmly consolidated her rule over the ex-protectorates of Obbia and the Mijurtins, as well as in the Nogal region. This was a step that the Fascist Government could not fail to take, in order to put a stop to all uncertainty and misunderstanding, and in the interest of national prestige. The Government followed up the lawful occupation of these territories – already *de facto* in our hands – by taking exceptional measures to organize them in a manner consonant not only with the immediate, but also with the future needs of the population and trade.

Having thus achieved the pacific political settlement of our vast possessions on the Indian Ocean, the Fascist Government directed its efforts to peaceful economic penetration and expansion in the surrounding regions, meanwhile settling in a definitive way the knotty questions of boundaries. All vestige of uncertainty having been removed, the trifling skirmishes that were wont to take place at the frontier will diminish and cease. A complete understanding has also been reached between our delegates and the British delegates regarding the delimitation of boundaries between Kenya and Italian Somaliland.

Senator De Vecchi may claim the merit of having laid down the lines of the new politico-administrative and economic organization of Italian Somaliland, which Guido Corci is now completing. And thus



this Colony which, before the advent of Fascism, had led a sterile and squalid life, is beginning to claim the attention of Italians to its remarkable resources, and more particularly its agricultural resources.

The Benadir district is undoubtedly suited to tropical crops of a very profitable kind for industrial uses: cotton, sugar cane, tobacco, castor oil, and sesame, as well as to staple commestible crops: durra, maize, etc., which are the fundamental produce of the native *Sciambe*.

Active work is constantly in progress on the banks of the Webi-Shebeli, and, to a lesser extent, on those of the Juba. In 1928 the Italo-Somala Agricultural Company, directed by H. R. H. the Duke of the Abruzzi, completed the agricultural systemisation of six farm estates, out of the seven contemplated in the first part of the programme for the reclamation of its Shidli territory. In the Genal zone, some hundred Italian colonists have prepared the ground and sown with cotton, durra, maize, sugar-cane, etc., an area of about 18,000 hectares of land conceded by the Colonial Government. The cultivation of bananas is progressing on all hands: their export to Italy was started during the first months of 1929 and continues with growing success.

The Colony's leading industries are based on agriculture. In the village named after the Duke of the Abruzzi, the centre of activity of the Shidli region, an oil factory capable of utilizing 600 kilos per hour of cotton, castor, or sunflower seed, and a very fine sugar factory, with distillery attached, have been set up. These last two establishments, which are due to the initiative of the Italo-Somala Agricultural Company, are managed by the Società Saccarifera Italiana. At Vittorio d' Africa, a centre of agricultural activity in the Jenal region, the state cotton-gin, capable of separating 3,000 metric tons of fibre, equivalent to 9,000 tons of raw cotton, was recently opened.

One of the industrial enterprises of the Colony that merits special mention is the "Migiurtinia" Company, which has now completed at Ras Hafun the construction of big salt works, capable of recovering more than 30,000 tons of salt a year, which will shortly be in full working order. During last January, in fact, the first two ship-loads of salt were despatched to India. Unfortunately the present serious crisis of the industry puts the "Migiurtinia" Co. in a very difficult position, but the Government is doing all it can on behalf of this industry, in view of the fact that it already owns such extensive and up-to-date plant, that the salt produced is some of the purest known, and that hundreds of Italian workers are employed there.

We cannot record like progress in regard to the fisheries, whether on account of the scanty capital invested therein, or their primitive organization. But the Government is considering what can be done, and causing research to be made in the matter.

The data of sea-borne trade furnish direct evidence of the stimulus which the Regime has given to the Colony's life in its several manifes-

tations. The figures of exports and imports, which were respectively 75.7 million lire and 28.5 million lire in 1925, rose to 123 millions and 42 millions respectively in 1928, and to 143.9 millions and 42.9 millions in 1929; while the customs revenue in 1929 amounted to over 14 millions, and the revenue from postal and telegraphic services – which point to improved services and increment of traffic – was over one million lire.

The organization of the Colony's public services (buildings, markets, warehouses, streets, etc.) play a considerable part in producing the results described. First and foremost, mention is due to the roadway system for heavy motor traffic which cuts across the Colony in all directions, extending to a length of about 9000 kilometres. In July of last year we had the inauguration of the Mogadisho-Bender-Cassim motor route, some 1500 kilometres long, which makes it possible to convey passengers and mails to Italy, via Aden, with a saving of 6 days' time as compared with that usually employed by the steamships of the Transatlantica Co. The same year witnessed the opening of the road, also suited to heavy motor traffic, from Ras Hafun to Bender Cassim (400 kilometres). One of the most important communication routes claiming special mention is the Mogadisho-Kisimaio-Diff road, recently built, giving access to Nairobi in Kenya.

Both State and private concerns manage automobile services for the carriage of persons and goods along certain of the main arteries: one of these services was inaugurated by the State in the summer of 1929 on the Mogadisho-Genal-Merca line (166 kms).

It has not been possible up to the present to develop the railways of Italian Somaliland to a like extent. In June 1926 a single line – the Mogadisho-Afgoi line – 29 kilometres long – was working, and during the following year the continuation of this line to Bivio Adalei was opened to traffic, thus extending the total length to 67 kms. The branch line from this latter locality to the Duca degli Abruzzi village – a length of 47 kilometres – was opened in 1928. Plans for laying down the new line of penetration, to extend from Bivio Adalei to Jet on the Ethiopian frontier, are being considered.

Shipping services having been improved and accelerated, the serious and difficult problem of the port of Mogadisho, to which both thought and capital have been devoted, is now being studied. The Government could not allow Mogadisho, our most important outlet on the Indian Ocean, to continue unprovided with a safe harbour, fit to meet the present and future requirements of the Colony: a re-inforced concrete jetty, 120 metres long by 12 metres wide, has already been completed.

Mogadisho has likewise been supplied with the civic services indispensable to civilized life, and embellished by new buildings, walks and public gardens. On the occasion of the visit of H. R. H. the Prince of Piedmont, in the spring of 1927, the fine monumental arch and the majestic Catholic Cathedral were inaugurated. During the years immediately following,



sanitary services and schools, as well as port services, were properly organized. At the same time it seemed proper to trace the lines of future tourist enterprise. The civic aqueduct was inaugurated at Mogadisho a few months ago. Thus Italian Somaliland, with renewed vitality, equipped for civilized needs, a more decorous aspect, and increased comfort in her town centres, bears witness to all the loving and assiduous care which the Fascist Government has devoted to it, so as to launch it on the road to full development and a useful life for the Mother Country also.

These figures of the general business of the Bank of Italy in Somaliland are significant of the undeniable progress of recent years: from 530 million lire in 1925 it rose to over one thousand millions in 1928 and 1929.

I have aimed at setting forth the evidence of Italy's renewed colonial conscience, expressed not in empty declarations and vain rhetoric, but in concrete doings and the sound and settled rule of her Colonies.

For this reason, notwithstanding my dislike of figures, I have endeavoured to dictate a bare statistical statement of work accomplished and progress made.

All are at liberty to judge whether Fascist Italy, in the troublesome after-war period and amid recurring grave economic crises, could, with such scanty means, do more or better for her Colonies, so poor, alas, in immediate resources and still at an early stage of development. If we consider the aggregate results achieved in relation with the colonial spirit that is quickening the youth of Italy; with the need of Colonial expansion which the Nation feels ever more acutely; with the enviable qualities of thrift, intelligence, and tireless industry of our people, and also in relation with the organization of Colonial administration which the Nation has built up, we are, I think, justified in claiming, with all the fervour of our unwavering faith, that Italy need no longer wait upon the inevitable settlement of certain international and economic problems to breathe more freely and spread her wings for a more powerful flight.

# THE DEVELOPMENT OF RHODES FROM THE POINT OF VIEW OF THE TOURIST AND OF AGRICULTURE

by MARIO LAGO, *Senator, Governor of the Egean Islands.*

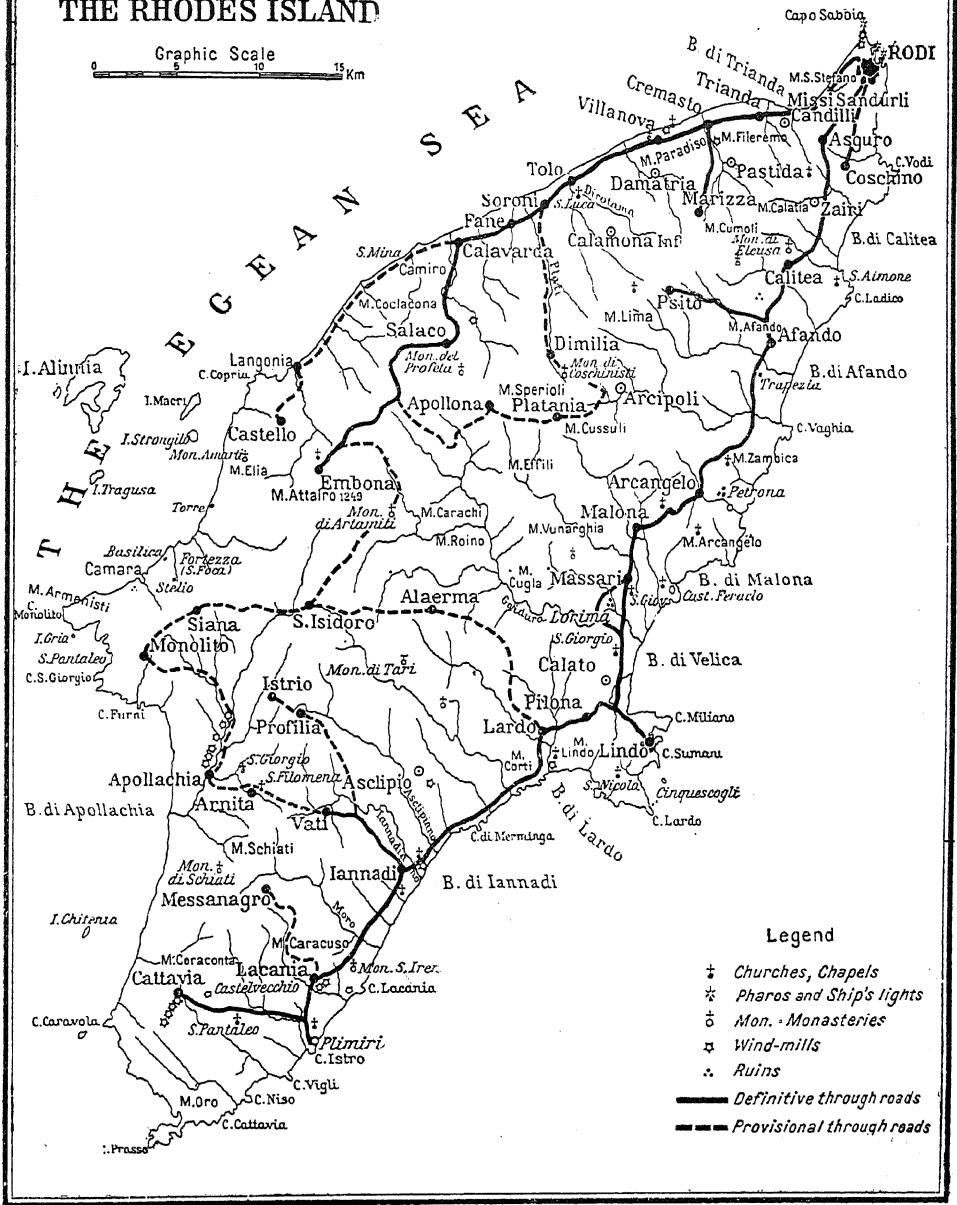
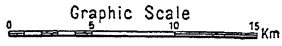
We who have followed day by day the work being done at Rhodes in order to transform the city into that "pearl of the Mediterranean" spoken of by Sig. Mussolini in one of his speeches, are not the best judges of the progress which has been made. Only those who have not visited our Islands for some years can realize to what extent the enlargement of the city corresponds to a definite plan combining a respect for oriental knightly traditions with the necessities of modern life. And were this same traveller, drawn on by the nostalgia of past associations, to penetrate into the interior of the island, along the road-system developed in the last years he would again notice a difference, not so striking indeed, as that which has taken place in the city itself, but which cannot escape the vigilant eye of a keen observer, even though to a casual onlooker the countryside may appear as deserted and neglected as ever. A comparison, in fact, between the opulence of the valley of Malona, enlivened by the sound of running waters and covered with its many orchards and olive groves, and the barren countryside will only make the contrast between the richness of the soil and the neglect of man more strident.

The future, however, looks far more promising. Agricultural problems have always attracted us and acted as a powerful incentive to action ever since Fascism, by giving the Italians a new outlook and a new discipline, has placed the problems relating to this Possession in their real light. We all felt that the only way to increase the agricultural value of our islands, especially Rhodes and Coo, was to create therein conditions indispensable to agricultural development. The two most important conditions were the means of communication and credit. And as both land and agricultural credits are based on the existence of landed-property, the extent, value and ownership of which has been well ascertained, the preliminary conditions were the means of communication and cadastral-survey.

When we occupied Rhodes, in 1912, the only roads built by the Turkish Government were one from Rhodes to Villanova, passing through Trianda and Cremasta, and another to Calitea: 32 kms. in all. To-day a road system of some 300 kilometres unites the various points of the island with the two main thoroughfares, one on the western coast and the other on the eastern coast, joined together by numerous cross-roads penetrating into the interior of the island.

The western thoroughfare, starting from Rhodes, passes through Calitea, Afando, Arcangelo, Malona, Calato, Lardo, Iannadi, Lacanià, and

# THE RHODES ISLAND



### Legend

- † Churches, Chapels
- \* Pharos and Ship's lights
- ⊙ Mon. - Monasteries
- ⊠ Wind-mills
- ⋯ Ruins
- Definitive through roads
- - - Provisional through roads

ends at Catavia. This road is 101 kms. long, and a number of shorter roads branch off from it to Psito, Lindo, Messanagrò, and Plimiri.

The eastern thoroughfare begins at Rhodes and ends at Monolito, by way of Trianda, Cremasto, Villanova, Soronì, Calavarda, Salaco, Embona, S. Isidoro, Siana. Secondary cross-roads branch off from it to Castello and Monte del Profeta Elia.

These cross-roads join Soroni and Pighe, passing through Dimilià, Arcipoli, Platania, Apollona, St. Isidoro to Lardo, by way of Alaerma, Monolito to Iannadi, passing through Apolacchia, Arnita and Vati.

The building of this road-system has burdened the Budget of our Colonial Possessions with about 22 millions of lire during the financial years from 1922-23 to 1929-30: an expenditure fully justified by the end in view.

The problem of the means of communication is now solved, and alongside the roads crossing the island in all directions, and unfolding to the eye of the artist magnificent panoramas over the blue sea, the barren valleys and the rich orange-groves, the past and the present are interwoven in the most fascinating and curious way: rumbling motor-lorries speed along their busy way leaving far behind them patient donkeys, trotting slowly along, with veiled Moslem women on their backs, followed on foot by their husbands with their red fezzes.

On all sides the open country is cut up into thousands of small farms, with uncertain boundaries and of uncertain ownership.

Anyone familiar with Turkish law relating to landed-property and with their laws of succession knows exactly how difficult it is to decide the exact value of each piece of land (Mulk, Miri, Mevcufè, Metrukè, Mevat), to establish its boundaries and to register it in the name of its real owner, who has vanished, so to say, in the following successions.

In this Possession these difficulties were easily overcome: the geometrical ascertainment of landed-property was made at the same time as the cadastral survey, both at Rhodes and at Coö.

It is the duty of the Topographical Mission sent here by the Military Geographical Institute to complete these cadastral operations, while it is the duty of the land-magistrates to establish the juridical nature and the ownership of the lands whose boundaries have been thus fixed.

They are bound to present the documentary evidence which has served as basis for the re-ascertainments, disputed cases being, however, referred for decision to a special Land Commission and exception being made also for the injured party's right of appeal to the Court of Second Instance either against the decisions of the Land Magistrate or against those of the Commissions.

If, at the expiration of the period fixed for lodging a legal protest, no one has availed himself of it, or if the grievances lodged have been rejected, the decisions of the Land Magistrate or of the Commission then become final.

Entries are made in the Register of title deeds, in agreement with these said decisions, and the deeds are drawn up. These are simply copies of the entries, to be given to the owners, but are equivalent to legal deeds of ownership and are sufficient grounds for forced execution in favour of the owner.

This brief exposition of the fundamental principles of the land-system introduced into our Possessions shows that we have introduced a system of land registration, which, thanks to the securities it offers, is the most solid and reliable basis for agricultural and land credit (1).

At first, the Government opened a small Agrarian Credit Bank, as an institution by itself, endowed with funds to be used as a starting capital. The experiment, however, proved so successful that the Government soon felt the need of extending the activities of the Bank, by incorporating it into a larger Institution, with a bigger capital and greater experience. The Bank of Sicily accepted the invitation of the Government and has absorbed this small Agrarian Credit Bank, which has pointed out the way to be followed, and has thus carried its beneficent and hardy activity into the East, while the Bank of Italy, to which the State Treasury has been entrusted, continues to exercise a moralizing influence upon these markets, where usury once ruled supreme.

The Government, however, having thus secured a basis for agrarian development was by no means at the end of its task. On one hand, it had to provide for the drainage of the soil, by regulating the water-courses, by safeguarding the integrity of the forests and by reclaiming malaria zones. On the other hand, it had to guide inexperienced farmers, to tell them which kinds of cultivation were most profitable, how to carry them on, and how to secure good markets for their products.

For this purpose two special offices were opened: one for the Administration of the State Demesnes and forests, under the control of a special magistrate: the other for the Agricultural Service and for agrarian experiments, at the head of which is the Phytopathologic Laboratory, which studies the diseases and the means of preservation of plants. To these offices there has been added a Meteorological Service, to collect the principal data on the climatology of the islands.

The organization of these offices has proceeded regularly, as they are entrusted to technical experts, chosen from among those graduates of the Superior Schools of Agriculture who have already held other important offices in the Kingdom and in the Colonies. Specialists have been called in by the Government to study the agricultural problems relating to this Possession. The outcome was a series of complete Monographs: on the importance and value of water for agricultural pur-

(1) One must remember, if one wishes to judge the importance of the work done, that there are an average of 190 thousand parcels of land in the Island of Rhodes and 40 thousand in the Island of Coö.

poses (by Alberto Cruciani C. E., of the Agricultural and Forest Department), on the livestock resources by Prof. Vittorio Vezzani of the Experimental Zootechnical Institute of Piedmont; on insects noxious to agriculture by Prof. Filippo Silvestri, Director of the Superior School of Agriculture at Portici; on floriculture, the aromatic flora, and the possibility of growing exotic and medicinal plants, by Prof. M. Calvino, of the Floricultural Station at Sanremo; on tobacco-culture, by Dr. A. Cattelani of the self-governing Monopolies Concern.

In connection with the educational duties entrusted to the agricultural office and to the experimental agrarian office, there has sprung up at Villanova, a village on the Island of Rhodes, an Experimental Institute, in which both irrigated and dry cultivations and the cultivation of vines and olive trees are subject to minute examination, in order to place precious advice at the service of farmers concerning the varieties to be chosen and the methods to be followed. These studies are based not only on experimental, but also on scientific data, gathered in the phytopathologic and vine research laboratories connected with the Institute. At the same time, a nursery garden for olive culture near Coschino distributes among the farmers the plants they require: some 60 thousand olive plants coming from Coschino have thus been transplanted in the various islands of the Possession.

We are now in possession of some fundamental data which cannot fail to help us solve our agrarian problem. The climate is characterized by heavy rainfalls, very abundant from November to March, and by general droughts from April to October (dry hot climate). Surface water is scarce and underground water more abundant. The growth of trees is very abundant; silviculture is therefore prosperous, the growth of grass, etc, very difficult, since their period of life coincides with the period of drought.

From this it will be seen how necessary it is to utilize the water supply of the island scientifically, and to provide against any dispersion or waste. This explains the institution of a Water Magistrate, whose task it is to discover, capture, utilize and regulate both the surface and underground waters. He also supervises their distribution and bestowal, besides examining and systematizing mountain basins, river and torrent beds, and caring for the protection, the increase, canalization and distribution of the water-reserves of the Possession and for the systematization of the impluvium zones.

It is obvious that olive-trees and grape-vines, being ligneous growths, find in the soil and climate of these islands the conditions most favourable to their development. The same applies to the tobacco-plant, which is specially suited to such dry soils as these. A new stimulus has been given to studies and experiments for bettering growth and products, by introducing varieties suited both to the climate and the soil, and by

encouraging all enterprises aiming at the establishment of factories for the working of raw materials. Thanks to these efforts, an oil-mill, an oenological establishment, and a tobacco-factory have grown up. Their products find a market also abroad, the wines especially are greatly prized. Nor do we lack encouragement to increase the cultivation of table grapes, greatly in demand in Egypt, and Eastern tobacco, in consequence of an agreement with the Italian Administration of Monopolies, which is following with interest our experiments and has charged one of its officers to direct and supervise them. Spring and winter cereals thrive also; but these are small family cultivations which will never attain to a commercial value.

We are still at the beginning, but even now it is possible to forecast the future: the cultivation of both wine grapes and table grapes and of tobacco will become more and more intense, and as a consequence farmers will abandon the lands far from the towns and villages, where they are now settled, and will occupy those nearer by, so that their products may be more easily absorbed by the factories. This will increase the phenomenon of the lack of labour in relation to the area to be cultivated and will necessitate the calling of other farm workers for the cultivation of those areas which would otherwise remain deserted and uncultivated. This is one of the tasks we will have to take up which will prove extremely beneficial to local agriculture through the institution of agrarian business concerns which, entrusted to our fine farmers, will become real experimental fields, destined to serve as an example and a stimulus to others. We can already trace the beginning of this definite systemization of local agriculture: Italian business concerns, for instance, have undertaken to cultivate and drain large zones of uncultivated lands for the cultivation of fruit-trees. The movement is a slow one, but it will increase, by degrees, when the improved economic conditions of the local peasantry have brought about an advance in agricultural industries sufficient to allow them to abandon less profitable cultivations for others, and when the better trained farmers, and above all the more active, have learnt how to obtain from less fertile soil and less profitable cultivations results which to-day are out of the question.

It would be a mistake, however, to believe that all our agricultural activities have crystallized in these fields: successful experiments have shown that the breeding of silk-worms may give excellent results. The cultivation of mulberry trees has been intensified, by encouraging and financing a Silk-worm commission, under the R. Experimental Station at Padua, which has been sent to the Possession.

The studies for the breeding of cattle are still at an experimental stage: a selection of local breeds has been attempted, and Italian cattle have been imported from zones having the same climate and soil as ours. In connection with these experiments, it has been necessary to

provide for the production of forage. Fields sown half in graminaceous plants and half in leguminous plants (black vetch and oats, for instance) have given excellent results.

A breeding-stud for local horses (the so-called "mitilli" which resemble ponies, especially in their stature), has also been established, and we hope to obtain a selection of these horses for neighbouring markets.

Work is being carried on in silence, in solitude: but within the next few years travellers arriving here from all parts of the East will see what Italy has succeeded in doing and they will carry back to their own countries tidings of our prosperous activity. They will be our best propagandists.

In 1929 about 20 thousand foreigners came to Rhodes, but their number will increase in coming years, when Rhodes' fame as a climatic station has become more widely spread. And there can be no doubt that the city is singularly favoured from this point of view, with its mild climate in summer, its clear sky and its refreshing breezes. The sandy beach slopes gently to the sea, softly stirred by the north-west wind. The bathing season lasts from the middle of May till October. A high hill, three quarters of an hour's ride out of the city, offers to those who are in search of solitude and fresh air its pine and fir-trees, gently murmuring to the sound of the freshly scented wind.

A spring of healing waters, not far from the city, gives the finishing touch to the work of nature. The waters of Calitea possess the same qualities as the water of Montecatini. Around this spring there has grown up a Thermal Establishment where special cures may be followed, especially by people suffering from liver and intestinal troubles. The water of St. Silvester is quite similar to that of St. Pellegrino and is specially indicated for diseases of the kidneys and the bladder.

The cure of diseases of the digestive apparatus and kidneys, so common in the East, is making these waters yearly more famous. A first class hotel in the city of Rhodes offers accomodation to the numerous visitors who come to the sea for fresh air and to the springs for their health. Another pretty mountain hotel offers hospitality to mountain lovers. Other hotels will certainly be built in the near future as they are already in demand. The movement of foreigners is changing, and in the place of tourists stopping for a few hours during a cruise, we have visitors who come to Rhodes for a certain length of time.

We must, of course, provide entertainment for these foreigner who look for recreation in their hours of freedom from baths and health cures. Something has already been done in this line. There are extensive golf-links and a select club-house for golf-players: a stadium and a pigeon-shooting gallery, besides tennis-courts for the young people. Before long an elegant and spacious theatre will be opened. Nothing has been neglected from this point of view. But it must be remembered that if Italy has done her best to enliven the visitors' stay on the Island,



she also, and above all, wishes to provide for them beautiful artistic surroundings, appealing not only to the eye, but also to the mind.

The new city bears traces of Italian grace and charm, accompanied by a sense of "the grandeur that was Rome." The old city has been restored with the respect due to its glorious past. The two parts of the city are quite different, but they complete each other harmoniously. We have gathered the inheritance of our ancestors and their work is being carried on by us. The Churches and the barracks look as though they were waiting to receive the old knights who were wont to bend in prayer before the Madonna of Fileremo, intent on hardening both their soul and their bodies for the greater glory of their Faith and of Italy, whose name was written on their pennants. The Hospital still perpetuates their merciful mission in favour of the sick and the unfortunate. Is not the Governor's Palace the residence of the Great Master himself? What makes the impression more vivid still are the arcades where our glorious ancestors are arrayed along the Church Portico, representing, as it were, an ideal continuity unbroken throughout the centuries. We are here beside them, to defend a great idea; we have come armed with the same Faith and the same enthusiasm, to face new tasks corresponding to the newer times. We need only mention the Market Place, the Foundling's Hospital, the Maternity Hospital, Recreation Clubs, Schools, the Fert Archeological Institute for the encouragement of Italian cultural initiatives in the East, as living proofs of this enthusiasm.

The earth excavated by us with such loving care at Coö has not refused us her gifts. From the vaults of a buried amphitheatre, a beautiful Greek statue and a group of stately Roman matrons have come to light, thus crowning with their approval our labour, a symbol as it were of the approval of the Great Mother Rome, ever present in these lands so often visited by her glorious legions.

And it is thus that Italy once again faces the East with the pride and dignity of past traditions.

# ITALIAN NATIONAL EDUCATION AND THE "BALILLA" ORGANIZATION.

by BALBINO GIULIANO, *Minister of National Education.*

Fascism, which some persons at the present time still persist in regarding as a mere movement of instinct and action, as soon as it came into power tackled education as its first problem and introduced measures of scholastic reform of a radical kind that bear the name of the then Minister of Education, Gentile.

The Gentile reform aimed above all at making a clear distinction between different types of school, which respond to the leading forms of activity and the essential needs of life: schools of a humanistic or "formative" character, and schools of distinct occupational kinds, for the most part informative in purpose. The direction given to school programmes and methods, moreover, aimed at imparting a quite new character to education. That is to say, teaching was to cease being a mere transmission of knowledge and to become what all great educationists had more or less consciously aimed at: a live spiritual force, acting on the mind and stimulating creative activity. And, lastly, the Reform radically altered the underlying principle of examinations, and claimed that the student was to be judged not according to the criteria of past times, but rather those of the future; not for what he had done, but for what he was capable of doing; not by the quantity of information he was able to lay before the Commission, but in the light of the maturity of mind and character that he displayed.

Teaching such as this was no longer mere instruction; it had become a form of national education, the formation of a spiritual purpose, conscious of its *Italianity*. It was therefore logical that in view of this tendency to bring all forms of teaching and educational activity within a single control, all occupational schools dependent on the Ministry of National Economy as well as the National "Balilla" organization (which had taken over the task of boys' physical training) should be placed under the Ministry of Public Instruction. This singleness of culture and of the control of culture is expressed in the name given to the Ministry, now no longer known as the Ministry of Public Instruction, but as that of National Education.

There is no need to go into the details of all that the Ministry of Education has done during the years following the Gentile Reform. First and foremost this has been a scholastic work, concerned with the general increment of Italian culture; and secondly a special effort for the development and adaptation of the Reform.

Hence it would be idle to give a list of the schools opened, the buildings constructed, the enterprises set going. In the volume "L'Italia di Vittorio Emanuele III" a former Minister of Education, signor Fedele, dealt comprehensively with these matters. It would be equally futile

to enumerate all the many provisions and regulations that have been passed with a view to carrying out the Reform. Nor would it serve our purpose to discuss the value of these provisions and to differentiate between those that have helped to develop and those that have proved contrary to the essential intentions of the Act. Paradoxical as it may seem, it is nevertheless a fact that certain negative factors which the passing moment may render necessary, may prove in the long run to be of positive value for the development of a principle or policy, as the course of time and history proves.

At the present moment, moreover, the problems that really count are the two referred to in the foregoing: those which faced the Ministry of National Education when it took in hand the new occupational schools and when the "Opera Balilla" came within its immediate control.

The Casati Act of 1859 established, side by side with the Classical School - the *ginnasio-liceo* - an institute of technical studies, consisting of a lower school with a three-year course and a higher school with a four-year course. In process of time, however, this institute of technical studies assumed a humanistic character, which became more and more accentuated with years. Thus it was that, not very long after the passing of the Casati Act, a number of technical schools in the proper etimological sense of the word, were opened in different parts of the Kingdom, the purpose of which was to impart instruction in the several arts, crafts, and trades.

Until last year these schools, which had increased to a considerable number, were under the control of the Ministry of National Economy. But, as we have stated above, the Fascist Government wished to affirm, together with the concept of the singleness of state interests, also the singleness of culture, and it consequently placed all the schools, dependent on the Ministry of Economy under the Ministry of Public Instruction, later on transformed into the Ministry of National Education.

The passing over of all occupational schools under our control naturally enough raised the problem of their relations with other technical, classical, and art schools already under the Ministry of Instruction. Thus, in certain instances, we found that more than one school existed for one and the same purpose; these the Ministry merged into a single institute. Meanwhile another problem presented itself: that of coordinating occupational schools with classical and technical schools, and of determining their essential character, without, however, destroying the special characteristics which in many cases impart to these schools a distinct individuality, responding to the particular requirements of a given locality.

In 1923 Signor Gentile relieved schools from the function of physical education and entrusted this to a self-governing organization (*Ente autonomo*). This act gave rise to lively debates, but, notwithstanding diverse and heated criticism, it proved a highly useful measure. All

Italians are aware that the teaching of gymnastics under the old regime amounted to a mere bagatelle. Since the opening years of the present century a start was made in Italy, as elsewhere, to encourage a little physical education by means of sports and scattered independent gymnastic clubs, and these efforts had progressed with time. But it cannot be said that, until the advent of Fascism, Italy displayed any full understanding of the high spiritual value of physical education. The decision of the Ministry to remove it from the school curriculums and to place it under a separate authority was most opportune for this reason also, that it was instrumental in bringing the matter before the public. It rapidly became obvious that the famous institute (Ente) was not in a position to organize the business adequately and was unable to perform its duty properly either towards the schools or towards the youth of the country.

Fascism had meanwhile instituted the body known as the "Balilla" – an admirable organization which brought the enthusiasm of hardy military and revolutionary tradition among our boys and youths. Through this institution, Fascism introduced a new spirit into the younger generation of Italy, a new and well-disciplined ardour, direct offspring of the war and the revolution.

The National Balilla Institution was therefore highly competent to carry out the task of the physical education of Italian boys and girls. It took it over in our schools: and when the Italian State felt itself renewed, through and through, by the spirit of the revolution and capable of controlling this spirit, without stifling its vivacity, in the new organization, it placed this under the jurisdiction of the Ministry of National Education.

Thus it was that in this domain also the two principal forces of national life – the State's orthodox organization and the free activity of the Nation – came at last to an understanding. At a given moment physical education was removed from school control in order that it might freely renew its energies; to be brought back again, completely renewed, within that control, there to be subjected to all requisite discipline. Our old, purely "intellectualist" school abandoned physical education and drove it out, as it were, from its halls; now it returned once again to the new school and became an essential factor in national upbringing.

At one time we Italians were, at least to outward appearances, a somewhat over delicate and thin-skinned people, giving, at times, an impression of morbid sensitiveness. We were, however, possessed of an essentially healthy constitution and a capacity of physical resistance which we ourselves were perhaps hardly aware of, but which revealed itself at critical moments in our history, whenever, faced by supreme danger, the Nation was obliged, for its safety, to display all the energy of which it was capable.

But even at such moments the Italian Nation was not wont to show all the strength it possessed: it did not put all its latent powers into practice. Fascism today is bent on creating a school which shall impart energy of thought and energy of will to the rising generations; it means, in short, as we have already said, to develop a culture representing the consciousness of all the manifold and fertile powers accumulated throughout the history of our race.

## THE NATIONAL "BALILLA" ORGANIZATION

The "Opera Nazionale Balilla" for the physical education and guidance of the young – a Fascist institution, the origin of which traces back to the earliest juvenile organizations of the revolutionary period, which counted its youthful martyrs – is an incorporated body, instituted by the Law of the 3rd April 1926 (No. 2247), placed under the direct vigilance of the Head of the Government and (by R. Decree of the 14th September 1929) under the control of the Ministry of National Education. The organization's headquarters are in Rome and it carries out its functions through the medium of the "Balilla" institutions, those of the "Avanguardisti" and of the *Piccole and Giovani Italiane* (little and young Italian girls).

The Avanguardisti institution has the special charge of the training and preparation of young men for military life. Boys aged between 8 and 14 years belong to the "Balilla"; from 14 to 18 years they form part of the Avanguardisti.

The Organization provides for carrying out its several aims: 1) by means of members' subscriptions; 2) by funds derived from bequests, donations, gifts, and subsidies allocated in its favour; 3) contributions appropriated year by year on the Budget of the Ministry of the Interior, the Ministry of Education, and the Ministry of Corporations (Guilds).

The Institute is administered by a central Council, consisting of a President, a vice-President, and 24 Councilors, nominated by Royal Decree, on the proposal of the Prime Minister, Head of the Government. By Royal Decree-Law of the 10th August 1927 (1554) all the attributions of the central Council were delegated to the President of the Institution.

All persons who by gifts or periodical contributions lend their help to the "Balilla" are members of the Organization. Members are divided into three classes: "*benemeriti*", life members, and temporary members.

The Organization confers diplomas and medals for merit to specially deserving members and to those who bring in a considerable number of new members, or who have otherwise exerted themselves to good effect on its behalf.

In each province there is a provincial committee, consisting of

a president and ten councilors. These provide for carrying into effect the various dispositions imparted by the National Organization and for routine services for the guidance and education of the youth of the Province; they call the attention of the National Organization to public and private institutions of the province and to persons who merit the approval of the juvenile welfare and educational works, and report periodically on the working of the services, propose measures which they consider necessary for improving them, and pronounce their opinion regarding applications for subsidies submitted by the said institutions and applications for the formation of new ones.

Each Commune has a council consisting of a President and councilors, the number of whom is fixed by the provincial Committee in proportion to the number of the inhabitants.

The Act instituting the "Opera Balilla" was completed by the Royal Decrees of the 9th January and 9th April 1928, which ordained the dissolution of all the juvenile organizations and clubs unconnected with the Balilla Institution and their absorption by that organization.

The administrative regulations and those concerning technical control for the enforcement of the Act of the 3rd April 1926 were approved by Royal Decree of the 9th January 1927, which date marks the effective inception of the Organization's work.

Less than three years after the date of its creation, the "Opera Nazionale Balilla" has fulfilled all the conditions essential to the development of its very extensive programme. On the 1st February 1930, the Organization counted over 1,974,822 members - 903,324 younger boys and 365,044 older boys - all regularly organized within the framework of the 592 legions, under the command of 5588 officers of the Fascist Militia. By the close of 1929 over 19,500 training masters were assigned to the juvenile sections, to which 767 chaplains and 1237 doctors also lent their services.

The sailor, cyclist, and skiing sections are of particular importance, more especially those assigned to air defence at home, which receive adequate technical instruction; these sections are training fully ten thousand young fellows.

The commanders of the Avanguardisti are officials of the Militia, chosen from among those who, by character and culture, are best fitted to be teachers; the commanders of the Balilla are for the most part elementary school teachers who also form part of the Militia.

The Organization has solved the problem of physical education, under its two most important aspects, the practical and the theoretic. On the practical side, it has taken over charge of physical training, which at one time was in the hands of the National Organization (Ente Nazionale), incorporated into the Balilla Institution by Royal Decree of the 20th November 1927 (No. 2341); on the theoretic side, it has created the Fascist Academy of Physical Education.

Thus, while on one hand the "Opera Nazionale Balilla", through the medium of its provincial committees, controls the rational development of gymnastic exercise, it is, on the other hand, training up-to-date, cultured and disciplined Fascist instructors.

The gymnastic-sports instruction given in the elementary and secondary schools, in accordance with government curriculums, is completed in the institutes of the National Organization, where the Balilla and Avanguardisti are prepared for military training and all forms of sports: from fencing to cycling, from walking to football, from light athletics to swimming, riding, and rowing. An eye is kept on the performances and aptitudes of all the individual pupils, and these are brought out and encouraged by athletic competitions.

The competitions organized by the Balilla Institution are held in the communal and provincial stadiums, on national holidays and so forth, and they are instrumental in preparing regional champions, from among whom the champions for the big "Littorio" prize are chosen: this is the most important competition for the Avanguardisti. It is usually organized on the anniversary of the Fascist March on Rome.

The Fascist Academy for the instruction of teachers of physical training gives great encouragement to these competitions. It was inaugurated on the 5th February 1928, and after a course of two years of obligatory residential training, it distributes among the several national sports centres teachers of physical education fit to carry out the athletic sports curriculums of the Institution. Only youths who have been granted diplomas by the intermediary higher schools are eligible for positions in the Academy. The following subjects are studied: normal human anatomy; physiology; psychology; hygiene; traumatology; kinematics; anthropometry; physical therapeutics; sports pathology; philosophy; the science of education; French; English; fencing; rowing; shooting; special lines of sports; practical and theoretical physical education; the history of physical education; Fascist legislation; apprenticeship; applied art; singing, and military technics.

Between July and October 1928 the Academy granted diplomas to the first 150 pupils, who were at once absorbed into the ranks of the Organization, either as professors of physical education or to management and inspectorship posts.

The Statute of the Academy, approved by the Higher Council of Education in October 1929, contemplates the institution of a bi-annual higher course, reserved for graduates of the first two years who have also graduated in medicine and wish to specialize in sports studies. The further two years' course carries with it the degree of doctor in applied sciences bearing on physical education.

The following studies are required for this further course: general knowledge of embryology and organo-genetic morphology of the human constitution; the physiology of childhood and growth; the pathology of

growth; biological chemistry and physical chemistry; psychology as applied to pedagogy and work; demographic legislation and statistics; practical courses in the physical education of the young; the hygiene of development; school hygiene; puericulture; biological physico-chemistry and the direction of training; human biometry; social medicine and eugenetics; applied radiology; and special kinds of sports.

The Academy at the present time counts over 150 pupils, who are temporarily housed in the premises of the Central Military School of Physical Education at the Farnesina Palace (Rome). The buildings in which the Academy will eventually be housed form part of the imposing blocks of sports edifices known as the Foro Mussolini, which the National Institution is constructing in Rome, close to the Ponte Milvio, covering an area of 350,000 square metres.

The home of the Academy will include spacious dormitories; halls for the class-rooms; a library, a museum; the central hall; scientific laboratories; ample meeting halls for students and teachers, and, lastly, all the several offices rationally distributed in accordance with the most up-to-date technical notions. There is room also for a gymnasium 600 metres square, with roomy accommodation for the onlookers, a smaller gymnasium and halls for fencing, boxing, and Greco-Roman wrestling.

Annexed to the Academy there will be a monumental marble stadium large enough for international matches, with accommodation for 20,000 persons.

The forum will have room also for a stadium capable of holding 100,000 persons, various fields for foot-ball and Rugby, courses for running, jumping, etc.; tennis and basketball fields; open-air theatres, and two swimming baths; an open one with artificial beach, and one covered; a riding-school with annexed stables; a field for shooting, and, lastly, a motor course. These different places will be suitably separated one from the other by shady parks and gardens, traversed by wide avenues.

On the right bank of the Tiber, sheds for boats and a spacious landing stage will be built, facing the main entrance to the Forum. In the centre of the Forum an obelisk dedicated to Mussolini will be erected; this will consist of a single piece of white Carrara marble 2.50 metres wide by 18 metres in height. This huge block, measuring 112 cubic metres and weighing 320 tons, will be placed on a base fifteen metres high, consisting of blocks of "bardiglio" marble. Thus the total height will be about 33 metres, equal to that of the highest obelisks in Rome.

Welfare work on behalf of the members of the National Institution is closely bound up with the task of physical education. This work is mainly medical: preventive, therapeutical, and practical. Preventive treatment is given in the dispensaries of the Regions and Committees, where doctors of recognised merit make a personal study of the "Balilla"



brought to them for examination, and follow their bodily development, distributing medicines gratis, prescribing treatment, or sending them to special convalescent homes when necessary. Medical treatment is provided for all members in case of illness or at the request of their families, either direct doctoring in case of illness, or by sending on to nursing homes controlled by the Institute those patients who cannot be properly looked after in their own families. Practical treatment consists of the institution of sun-baths, seaside and mountain colonies, and camps.

A highly efficient organism has been set up by the Balilla Institution to carry out its health programme. Over one hundred thousand members are yearly given hospitality in the colonies, and with a view to ensuring the continuity and efficacy of mountain treatment, the Institution has established permanent colonies in regions where the climate is most likely to exercise a beneficent influence on boys of feeble constitution and those most inclined to contract disease.

The presidency of the Balilla Institution has developed one aspect of its health programme by ensuring all its young members against accidents, by legal contract, as from the 1st January 1929. All the boys regularly inscribed and possessing the membership card of the Institution are entitled to such insurance, being thereby guaranteed against all accidents, wherever they may occur. The sums insured amount to 30,000 lire in the case of total permanent disablement; a daily indemnity of 10 lire for a maximum period of 70 days, in the case of temporary disablement, and 10,000 lire to the family of the insured in case of death.

The Institution helps to form the minds of the young people who may be called upon later to fill public offices, by integrating the school curriculums, by means of steady propaganda, the institution of subsidiary schools, after-school-hour institutes, reading rooms, circulating libraries, and the organization of frequent meetings to visit museums and public monuments. The programme in this domain extends from instructive walks to lectures, from collective games to school matches, from the educative theatre, with pieces written expressly for the Balilla, to kinemas with patriotic, scientific, and historical projections.

The National Balilla Institution is resolved that no single commune of Italy shall lack a kinema hall and a theatre.

Particular mention should be made of the courses of Fascist culture in which able speakers explain to the young the origins and development of Fascism. These courses, which are held also in the smaller centres, contribute validly to the formation of the political conscience of the rising generation and do much to popularize Fascism among the masses, since it frequently happens that the families of the pupils attend the lessons.

Competitions in "graphic language" are also of great importance; these are organised year by year among all the Balillas who frequent Italian schools, and go far to develop the artistic proclivities of the boys;

educational travel systematically organized for both the younger and the elder boys is of no lesser importance. The cruises, which year by year gather the black shirts on Italian vessels open wider horizons to our young "avanguardisti".

Frequent competitions for scholarships and prizes for industry, the gratis entrance to academies of fine arts, musical conservatories and institutes of higher education, subsidies and personal encouragement, honourable mention and other forms of public encouragement, contribute to keep alive and vigorous the ties of interest and mutual aid between the Institution and its members. Acts of bravery, examples of strength of character and of firmness of will are titles of merit which ensure the young people the support and protection of the Institution.

Nor is less thought given to religious aid, which is entrusted to the chaplains of the several Legions; this is not restricted to teaching Christian dogma and the rites of the Church, but aims at promoting good faith and honesty in general, thus contributing to raise the youthful conscience, associating faith in the Deity with that in the Mother Country and its destinies.

Occupational education is one of the most exacting tasks of the Opera Nazionale Balilla and demands assiduity in attendance, a consistent programme, and up-to-date educational views.

The provincial committees have set up schools of occupational training, with work-rooms attached, schools of arts and crafts, and evening technical classes.

Wherever these institutions are not set up directly by the committees, the young members of the Institution are given priority in admission and enjoy special facilities and advantages of various kinds. The Balilla Institution regards them as a complementary feature of their organism, and incites their zeal by all manner of encouragement, in the work-rooms as in the schools, in the schools as in the fields. Fully 205 courses in theoretical and practical agriculture have been instituted in the Venetian province and in Southern Italy. The part played by the Avanguardisti in the "Battaglia del Grano" (National Wheat Campaign), through the medium of these courses, is very significant; their contribution has proved most fertile of results.

On the 27th July 1928, the Ministry of Public Instruction entrusted to the Institution the management of the non-classified schools and those for adults in Calabria and Sicily, and on the 20th September the mandate to administer those of Sardinia. These are now known as the "Rural Schools of the National Balilla Institution"; they number 1553 and provide for some 55 thousand pupils.

The political and educational guidance of Italian school girls is completed by the loan of one hundred thousand volumes from the school libraries.

The sea and air training of young Italians is in the hands of the

"Opera Nazionale Balilla" and is carried out in accordance with a programme, of which the general lines are traced on an ample scale consonant with the spaciousness of the aims. In connection with the "centurie" of sailors organized in all towns where nautical studies are feasible, steps have been taken not only to set up libraries and schools for the study of seamanship and artisanship in trades connected therewith, but seamanship in all its forms has been strenuously encouraged, especially physical exercises and engineering, swimming, rowing, sailing, bridge-building, navigation, and the scientific understanding of modern nautical instruments. At Anzio, meanwhile, a home for "Balilla" sailors, capable of accomodating 2500 young fellows, is being built; this will gather together in a single great building all the young sailor boys now scattered between Venice and Bari, Naples and Cagliari, in the old training ships which time and experience have shown to be ill-suited for carrying out a sound programme of technical education. Here the young Fascist sailors will in due course become mechanics, electricians, motorists, signalmen, wireless operators, and perform with perfect understanding the mandate which Fascism entrusts to the Italian marine.

There are a number of aviation fledgelings among the Avanguardisti, who, with youthful ardour, join the air centuries, and give earnest of good will and tenacity. While the "Opera Nazionale" is preparing schools, buildings, and camps suited to teaching and to practical exercises, it already counts to its credit courses in air-ship steering, in which hundreds of Avanguardisti take part yearly. A number of provincial committees have opened and are running pre-aviation schools for motorists and wireless operators, and special courses in anti-aircraft.

The Institution is building "Case del Balilla" (Balilla homes) in all parts of Italy, with a view to concentrating juvenile activities and providing its young members not only with agreeable recreation centres, but also centres of educational development and moral guidance. And since the Institution has been charged with physical education in the schools, the demand for gymnasiums and sports fields has been faced by promoting the construction of a model gymnasium, equipped with due regard to modern views of convenience and spaciousness. The Institution is bringing out a technical treatise, which contains not only projects relating to the building of the "Case del Balilla" and model gymnasiums, but also the rules for all the several sports and initiatives of the provincial committees.

By the ceremony of the Fascist levies, young fellows who have attained 18 years of age enter the Voluntary Militia for National Safety; the ceremony takes place all over Italy on the anniversaries of the foundation of the "*fasci di combattimento*" ("Fighting fasci" or Fascist forces). 50,000 young men took part in the first Fascist levy in 1927; 80,000 in the second (1928), and at the third and fourth, celebrated throughout Italy with great enthusiasm on the anniversary of

Rome's birthday in 1929 and 1930, over 90,000 perfectly trained avanguardisti renewed each year by solemn oath their loyalty to the Duce and Fascism. During the present year (1931), 90,000 avanguardisti have been admitted directly into the ranks of the Party as members of the newly created Istituzione dei Giovani Italiani.

# THE ITALIAN ROYAL ACADEMY

by GIOACCHINO VOLPE, *Secretary General of the Italian Royal Academy.*

The Italian Royal Academy was founded on the 7th January 1926 on the initiative of Benito Mussolini. On that date the Council of Ministers approved the Decree constituting it: this was enacted into law on the following 25th of March.

“What! another Academy?” was the exclamation that came instinctively to the lips of many Italians. Academies, indeed, had fallen into sorry repute in Italy – even more so than elsewhere, perhaps, for we recalled the times in which, having lost their pristine vigour, while they continued to increase and multiply, academies reflected the general stagnation of Italian life. Nowadays, moreover, the very name “academy” – “academic” – has come to be regarded almost as a synonym for vanity and for all that is archaic, inconclusive, and tardy, as opposed to rapid action, achievement, and innovation, which characterise and are the ideals of modern life.

As a matter of fact, more than one of our modern academies are doing fine work in the field of study, and enjoy a good reputation among scholars, both in Italy and abroad. We may here recall, among others, the R. Accademia dei Lincei, the R. Accademia delle Scienze of Turin, the R. Istituto Lombardo di Scienza e Lettere of Milan, the R. Accademia delle Scienze of the Bologna Institute, and the R. Società of Naples. Among these, one is pre-eminent in classical, Hindu, and Islamistic archeology, another in pure mathematics, theoretical physics and chemistry, and others in different domains. But each one of them has a specialized interest and lives its life apart. Each one of them is self-absorbed and has little care for the claims of “culture”, which is a different thing from science, albeit it embraces it, even as science does not exclude culture. Moreover, they are closed to men of letters who stand for purely artistic creation, and, in a general way, to the fine arts. Hence, it will easily be realized that the general public was conscious, more or less clearly, of the need for an organ fit to represent all the intellectual activities of the Country, and to co-ordinate them all, as far as possible. And this need became more and more pressing during the war and after the war, as a new life, richer in ideal impulses, and more alive to the connection between all the creations of the mind and between these and daily life quickened the Country. The concept took root and gained in consistency that the State, just as it intervened in economic life and in the relations between the several categories of producers, could and should intervene, more effectively than it was doing, in the field of culture, especially of free culture, in which it had no part. It was in response to this feeling and these views, maturing under Fascism – which had reformed Italian schools from the lowest elementary to the Universities, and had created the National Research Council towards the close of 1923 – that

the Italian Academy was founded. In promoting its foundation, the Head of the Government was fully conscious of the necessity, in this most sensitive sphere, of combining authority with liberty; of watching over without fettering the highest activities of the mind; of giving – through the medium of this high council of scientists, men of letters, and artists – some guidance to the spiritual forces of the Nation, without deadening the free and fine initiatives of individual scholars and artists, but rather by coming to their aid; of preserving the national character in its purity and favouring its expansion and influence beyond the national boundaries, and of promoting and stimulating an intelligent spirit of encouragement – the “Maecenas spirit” – among the public.

Such are the aims of the new Academy, apart from the further object of rewarding in the highest manner and holding up to public example those men who are most representative in the field of culture – which is, indeed, but another way of promoting culture. But nearly four years elapsed from the moment of its first conception to that of its actual constitution (with the first 30 Academicians nominated by the Government in March 1929) and the inception of its work. This pause was necessary to elaborate plans, to obtain the requisite legislative approval, to appropriate the needful monies on the State Budget, and to get ready the home of the Academy – a magnificent home in the Farnesina Palace, in past times that of a great nobleman, Agostino Chigi, decorated by the brush of Raphael, Sodoma, Sebastiano del Piombo, and Baldassare Peruzzi – purchased by the State and restored, by discerning and most delicate handiwork, to the grandeur of past times. At last, on the 29th October 1929, the Italian Academy was inaugurated, with all due pomp and circumstance, on the Capitol, in the presence of Signor Mussolini, whose words quickened it to life.

Less than two years have passed since that date. And a couple of years is too brief a space of time to permit of our scheduling the tasks accomplished by the Academy. It has yet to develop, from within, its own distinctive personality and sense of singleness of purpose, elaborate an organic scheme of work, form the requisite connections with other organs of national culture, seek out the paths whereby it can make contact with the Country and act upon it with due immediacy, while never betraying the highest interests of Science and Art.

This, undoubtedly, is the first and main object of the new Academy and herein lies its specific national character. Not science for the sake of science and art for art's sake: but science and art together, consciously, intentionally, and directly, working for the progress of the Nation.

This work is under way. The Academy has already given to the press a series of memoranda of the Class of Mathematical, Physical, and Natural Sciences, now collected in one volume; it took a leading part in the celebration of the Virgil Millenary; it has promoted and initiated the task of rearranging and publishing, in chronological order, the Roman Imper-

ial constitutions; contributed both the funds and work of its members to the new edition of the works of the great physiologist, Lazzaro Spallanzani; intervened efficaciously in the much debated question of the new bridge across the Lagoon and the "Canal Piccolo" in Venice; contributed towards the expenses of a journey of literary exploration in Tibet undertaken by the Academician, Prof. Tucci, which proved very fertile of results; it has made close contact with the National Research Council and the other leading academies, united in the *Unione Nazionale Accademica*, etc. There is also in preparation a series of bibliographies, the first of which, by agreement with the National Committee for the History of the Risorgimento, is devoted to Carlo Alberto, the centenary of whose accession to the throne of Piedmont occurs this year; illustrative studies of important archives, both Italian and foreign; historical monographs on Italian artists, writers, and men of action who made their mark in foreign countries, and so on.

The Academy has further been appointed by the Ministry of National Education to adjudicate and distribute scholastic prizes, which aggregated a million lire in 1930. The announcement of this appointment was made at an impressive session in June 1930, which King Victor Emanuel honoured with his presence.

Two important institutions come into operation this year: the four prizes of the *Corriere della Sera*, each for the sum of 50,000 lire, known as the Benito Mussolini prizes, to be conferred year by year on the four leading works – literary, artistic, scientific, historical – published during the last decade (in future these prizes will be awarded to works published during the preceding year); and the "Volta Foundation", instituted, in honour of the great physicist, by the "Società Edison di Eletticità", with a capital of eight million lire. The Foundation administered by the Academic Council, together with a representative of the "Edison" Company, will devote half its income to organizing yearly meetings, to which Italian and foreign masters of the several arts, sciences and studies that form the object of the four Classes of the Academy will be invited to discuss specific problems; the balance being devoted to scholarships and travel for the purposes of education or exploration. The first of these meetings, the theme for which has already been chosen – a question of theoretic physics of the greatest immediate importance – will be held in the autumn of the present year. Other minor prizes offered by private persons are about to be established.

It will be obvious from the foregoing that the new Academy, which is destined to occupy a central position in Italian life, is not lacking in interest or in public confidence. Italians look to it to perform efficacious work in the direction of co-ordination, to call attention to matters of importance, and to lend encouragement and help in the domain of intellectual work. They look to it to foster in this domain the sense of unity which the modern trend towards "specialization" tends to destroy or

diminish. They trust in it to lend fresh impulse to all truly creative forces, to sympathize with all the new and vital manifestations of the present singular and promising phase of Italian life, and to contribute to its harmony and purpose – that is to say to the understanding of law and continuity; to represent and to reconcile the spirit both of revolution and conservatism, rationalism and the historic sense, the yearning towards the future and loyalty to the past.



# THE NATIONAL FASCIST INSTITUTE OF CULTURE

*by the Direction of the Institute.*

The Bologna Congress held in March 1925, in which Fascist intellectuals met to affirm their faith, showed how necessary it was to make clear to all concerned the perfect harmony existing between "Fascism" and "Culture" which, it had been senselessly insinuated, were contradictory terms. As a consequence, by Signor Mussolini's wish, the Istituto Nazionale Fascista di Cultura was inaugurated on the Capitol on the 19th December 1925.

In founding this Institute the Fascist Government gave clear and deliberate expression to its deep respect for culture and, at the same time, laid down the aims of the new body, which soon gained the confidence of the Country by reason of the number of eminent men in the fields of political and scientific thought who spontaneously adhered to it.

The Duce appointed as president of the Institute an Italian thinker who enjoys a high reputation in the world of international culture, Senator Giovanni Gentile; one who, by reason of the respect he commands and his Fascist faith, gave promise of success in the most arduous fields of intellectual propaganda.

During the six years that have elapsed from the date of its foundation to the present time, the National Fascist Institute of Culture has made considerable headway and gained much credit, collaborating to good purpose in Government cultural work and proving itself a living force at the service of Fascism.

First of all, it set its own house in good working order, and then proceeded by degrees to enlarge the orbit of its influence from the centre to embrace the whole peninsula; making close contact with existing institutes, re-shaping others, and founding new sections in the several regions of Italy, more especially in the South.

At the present time the National Fascist Institute of Culture is doing active local and national work. It has in Rome a fine library of works bearing on historical-political culture, comprising over five thousand volumes; a reading-room where over 300 Italian and foreign periodical and daily publications are provided for its numerous frequenters; it organizes courses of lectures bearing on questions of politics, history, and art, which have been extremely well attended, and furnishes gratis, by correspondence and otherwise, bibliographical data on Fascism to Italian and foreign students.

The Institute publishes the Review *Educazione Fascista*, and edits several series of political and historical works, which are sent to all the members of the Institute residing in Italy or abroad. In America, more especially, these publications are followed with interest and attention in scholarly circles, as evidenced by the exchange of correspondence and ideas that has grown up with associations and persons on that Continent.

The Institute has recently stimulated and integrated its activities at home.

It was naturally bound to follow with interest the work of all organs of general culture, both big and small, old and new, in the various cities of Italy; and, backed up by the advice and support of the Direction of the National Fascist Party, is taking steps to put these in touch with one another, to keep abreast of their work, and harmonize their initiatives.

In December 1929, Signor Turati, then Secretary of the N.F. Party, issued an ordinance with respect to the federation of the several cultural Institutes in the different provinces, their co-ordination, and suitable Fascist supervision.

In the said ordinance, however, it is clearly stated that the different bodies, institutes, and cultural societies must not on this account lose their individuality, their personal character, and special organization.

This circular was counter-signed not only by Senator Gentile, but also by the President of the N. F. Confederation of Professional Workers and Artists, with which an understanding was recently reached with regard to the cultural initiatives promoted by the Confederation.

Thus an Institute of Fascist Culture is springing up side by side with each of the Provincial Federations; or, where one already exists, it is coming to a closer understanding with it.

These Institutes are doing active work in some fifty provincial centres; many of them have organized frequent lessons, courses, and lectures, thus taking on the character of a free and attractive higher school for the middle classes.

The function of these may be regarded as complementary to the specialized teaching of the Universities, in which an understanding of the real meaning of Fascism is gaining ground.

Others are still functioning in a less complete and methodical way; they need assistance in organizing their work.

All this will take time, but in the meanwhile one and all deserve well for the disinterested efforts they are making on behalf of national culture and Fascist ideals.

Lastly we may mention that the Italian Parliament has approved the decree sanctioning the merging with the N. F. I. C. of the "Italica" Institute, a body which was formed for the diffusion of Italian culture abroad, formerly presided over by Senator Count Guido Visconti di Modrone.

# THE ITALIAN ENCYCLOPAEDIA

by GIOVANNI GENTILE, *Senator, Editor of the Encyclopaedia.*

Italy had never possessed, except in revised and re-arranged editions of foreign works, a large universal Encyclopaedia. The most fruitful attempt had been that made by Pomba, whose Popular Encyclopaedia may still be consulted and read with profit. Pomba's attempt was due to an enterprising Turinese editor and it belonged to the period of the re-awakening of the national consciousness in the years immediately preceding the Revolution of 1848. Great enterprises like these, in fact, are only possible among nations with confidence in their own capacities – as they demand not only powerful combinations of intellectual energies and a vast cultural preparation of the nation itself in all branches of learning, but above all a great capacity for discipline in joint labour.

Nor is this discipline something that may be improvised to respond to the need of the moment, but rather the outcome of a slow process of evolution based partly on tradition and partly on the scientific training of the nation as a whole. Something out of the reach, therefore, of young nations or of nations having but recently attained to political unity, and still groping after a plan of action and a spiritual individuality of their own, – based on personal knowledge and a personal faith – in the world-race of the nations towards civilization. From 1860 to 1915 Italy exhausted herself in this struggle, hesitating between doubts and anxieties and the more praiseworthy efforts of individual students or groups of students, inspired by an intense faith in the genius of the race, while the masses were still looking to other nations, hoping to receive from them the ideas, methods and rules for their own spiritual activities. With the war, this period of uncertainty and of seeking was closed for ever and a radical change took place in the depth of the Italian consciousness. And already in the years following the war, editors and writers from different parts of the country discussed the expediency of endowing Italy with a large Encyclopaedia which should be Italian, both in spirit and in form, and should speak to the world for Italy.

More than once the present writer was invited to take part in different enterprises of a similar nature, all inevitably doomed to failure for lack of funds. At last it was my good fortune to meet Sig. Treccani, a man who by his talents and courage had won for himself a high position in Italian industry and who had already given proof of a noble-minded interest in cultural problems. On my inviting him to study the plans for a National Encyclopaedia, Sig. Treccani, together with a young and intelligent editor, Calogero Tumminelli, at once saw a way out of the difficulty.

The new scheme was certainly one of many risks, but these were soon overcome, as we entered upon our enterprise full of an unflinching faith in the future of the Nation rejuvenated by Fascism. Thus was inaugurated

in January 1925 the Treccani Institute presided over by Treccani himself and directed by myself and Tumminelli. The Encyclopaedia was announced and four years later, in March 1929, there appeared the first volume, followed by three others in the course of the same year. Four large in quarto volumes appear yearly, of a thousand pages each, richly illustrated in black and colours, and by 1937, the thirty-six volumes will have all appeared and we shall have set to work on the supplements and be preparing the new edition which will certainly follow the present one.

By that time the Encyclopaedia will have become a National Institution, an institution which will gradually go on perfecting itself, but which will never abandon the programme we have drawn up for it. This programme may be seen in detail in my preface to the first volume, but I beg leave to quote a few leading paragraphs from it.

“ An encyclopaedia is the expression of the thought of a people and an epoch, and more precisely of the positive, vital and active elements of this thought. The latter in turn does not obviously represent the sum of the ideas of all the individuals, both learned and unlearned, conscious and unconscious of the ideals of the nation to which they belong and to which they are indissolubly bound, but it is reduced to a system by those who lead and represent the nation.

“ The results they obtain may not all be equally satisfactory, but the writers are all leaders: some either by fashioning new social and political faiths or by creating and urging new religious beliefs, and some by investigating technical means to add to the enrichment of life, or by studying its laws and its meaning. Others, again, are leaders because they explore the secrets and measure the forces of nature or because they examine and calculate the productive forces of man. Some describe the aspects of the physical world and others scrutinize the remains and the documents of man's past history in order to make it harmonize with present day interests, while the poets are busy moving the hearts of man with their song and their endless luminous images drawn from the realms of phantasy and freeing their souls from the bondage of petty cares. They are all leaders and they all lead by means of their thought, enriched by science and art. And this thought, in every nation, flows into the stream of national conscience and identifies itself with it; in each period of history it has its own form and character; and it assumes an individuality of its own in which thousands of voices are blended together in one great harmony.

“ *Concordia discors*. On this condition and in this sense the Encyclopaedia is a book capable of becoming part of the life of the spirit and of enriching it with new elements, and is endowed with the power of becoming an important instrument for human progress, in proportion to the amount of doctrine and intelligence that has gone to its making. But in order to maintain this “ *concordia discors* ” every writer intending to contribute to it is bound to follow, within the limits of his capacity, a certain number

of fixed rules not only in regard to the subject studied but also in regard to the mental standpoint from which it is approached: in order that the various aspects of learning may combine harmoniously in a finished picture, similar in its outstanding features to the spirit of a people and an epoch. And this same spirit has been one of the guiding principles of the Directors, who have constantly borne it in mind in their work. They have seen it continually in the moulding of all human ideals and spiritual energies into a complex civilization, summing up in itself all forms of learning and of taste and firm in the knowledge of its millenary history: a history not always universally known, but none the less worthy of having new light shed on it, so that all may remember what is Italian for Italy and for the world. They have beheld this spirit look triumphantly to the future, no longer with the pride of past glories, but anxious to create a new history, in which Italy will make herself known to the world and take her place by the side of the stronger nations. And it is for this reason that she hastens to become familiar with the science of all nations, thus putting into practice the old maxim *nihil humani a me alienum*.

“ No intolerance, no shallow narrow-mindedness ”. To every event, to every doctrine and to all persons their dues. No exclusive doctrines therefore, such as generally spring from the minds of single individuals, but the order, rather, in which these doctrines are possible, despite their differences, each one with its motives. The great impartiality of history itself, in which every fact has its own explanation.

“ It is in history that we find the method of treatment most adapted to an Encyclopaedia, in history with its great capacity for reconciling the most opposing forces of the mind and the most varied aspects of truth. In history every thought or institution, religion or doctrine, myth or theory, people or race lives and goes on living. And in history all dogmatism is destroyed, and every soul humbles and exalts itself in turn as its vision opens out to embrace wider horizons where every fact is given its real explanation and every truth its full value. Herein there is no place for vain glory or selfish presumption and it is with a feeling of religious awe that one becomes conscious of the infinite power one is endowed with ”

What a contrast to the diffidence, nay, the scepticism with which the enterprise was greeted by persons still unaware of the fact that many things had changed in Italy since the month of October 1922 and, above all, the spirit of the Italians. Here is one of the objections most frequently raised even by those who had decided to work with us, but who still feared we had not realized all the difficulties ahead of us: does Italy possess a sufficient number of specialists in all fields, to secure for the Encyclopaedia a predominance of Italian collaborators, not only in number, but especially in quality and universality? And again: is Italian culture sufficiently mature to stand this test before the eyes of the whole world?

It is an excellent thing to keep one's difficulties well before one's eyes,

instead of seeking vain consolation in smoothing them over; but there are different ways of doing so. There is the dispirited way of those who are afraid to move a step, if they are not absolutely sure of themselves, and this is the way of the sluggish, the dispirited and the sceptics. But there is also the more manly manner of those who measure both the obstacles and their forces, and then try to increase the latter as much as they can, and endeavour to overcome these obstacles at all costs. And it is these last that succeed in accomplishing something worth while in the world.

Now I wish to make a few statements in this connection. First of all the Encyclopaedia is not perfect, viz. it is not without mistakes – printing mistakes, oversights, and even more serious mistakes, occasionally. I have said so already in my Preface: and I also warned critics, then, to be very slow about passing judgments on a work which can only be judged as a whole, a work to which thousands of persons have dedicated the best part of their intelligence and ability. I may now add that whereas many have written deploring the absence, for example, of a word (which means that they have not yet understood that an Encyclopaedia is not a Dictionary and that, moreover, it is not complete without an index), no reader has yet succeeded in pointing out one real mistake. I have written many letters, but I have not yet been able to write a single one (a thing that would give me great satisfaction) beginning so: “Dear Sir, you are right. We have made a mistake. We willingly admit it, as we never pretended to be perfect. We will try to remedy it and we will double our efforts to avoid similar mistakes in the future. Many thanks for your kind help”. Up to the present date all mistakes have been pointed out to me only by my staff and vice versa. It is here in this beautiful old palace which I am writing from, and which the Treccani Institute is restoring to its ancient splendour, that all such suggestions and plans are formulated.

But one must also remember that there are various ways of conceiving an Encyclopaedia. There are those who imagine it to be a kind of *Summa*, in which everything worth knowing has been set down once for all. This is a materialistic, out-of-date conception. There are those instead who compare an Encyclopaedia to a working instrument, useful for a certain number of years, but destined to be surpassed in time. There are two ways of conceiving objectivity: the way of those who consider it as an end unto itself, and the way of those who are incapable of conceiving the different doctrines separately in their struggle for existence, and must therefore see them inserted in their proper place, in “that order in which the different doctrines are possible” as I have already said in my Preface. But it is also logical that an Encyclopaedia should not be a tribune from which every one can say what he has to say. There is a limit which must not be overstepped and that is the reader’s mind. The reader has every right to be allowed to form his own opinions and this right should always be respected. Thus only may the Encyclopaedia have a

formative influence on the minds of the people and contribute to the moulding of a more mature national conscience.

To the latter the Encyclopaedia has already begun to contribute. I have already recalled past difficulties. The first articles were often undigested hoards of erudite material. Now instead they are becoming daily more interesting and human. But this is not all. Thanks to the Encyclopaedia Italy possesses to-day a group of historians who have become specialists in world history, something new for Italy. In volume V, for example, there are only 53 foreign contributors, as compared to 593 Italian ones, on a total of 1181 articles. The percentage increases in certain cases. It is higher for instance among ecclesiastical writers on Ecclesiastical subjects (liturgy, hagiography, canon law, etc.), but it decreases if one adds to these lay writers on the History of Christianity and the History of Religions. The percentage of foreign contributors is higher still in the field of Art. This is due to the fact that Italian Art students generally limit themselves to the study of Italian Art. For this reason the Art of different countries is studied by specialists of the countries themselves. The problem is one that deeply interests and preoccupies me and I hope to make some radical changes in the near future. On the other hand, it stands to reason that a certain number of "local" writers will always be necessary for certain articles (viz. the historical description of towns) (1).

Another important result obtained, which will increase as the Encyclopaedia continues to progress, is the drawing of the attention of the world to Italian art and culture, the immediate effects of which may be seen in the flattering judgments passed on the scientific, technical and artistic training of the nation.

By the time it is finished we have every reason to hope it will have been adopted by all countries. It will then no longer be a simple means of giving a new stimulus to the national culture, but a powerful means of promoting Italian culture outside our own boundaries.

(1) 739 people have worked on the VII volume, which was published on the 15th of September 1930. Of these 125 were foreigners (percentage 16.91). The percentage increase; in the Ecclesiastical section. (50.42 men and 8 women against 37 Italians, including 3 women a percentage of 57.47); there are 26 women in all, 17 Italians and 9 Foreigners; 11 are in the Art section. The VIII volume which has just appeared has 703 contributors: 74 are foreigners (10.8 per 100). Twenty Ecclesiastical writers have contributed; 4 of these were foreigners (25 %). Art section: 62 in all; 27 foreigners (43.55 %). Total of women contributors, 26: of these 18 are Italian.

# THE TRANSFORMATION AND DEVELOPMENT OF ROME

by FRANCESCO BONCOMPAGNI LUDOVISI, *Senator, Governor of Rome.*

It is no easy matter to summarize in a few pages even the most salient features of the work accomplished by the *Governatorato* of Rome during these last few years.

We may well affirm that one of the outstanding achievements of the Fascist Regime has been to recall Italians to a sense of the dignity and grandeur of Rome – the consciousness of its mission as Capital of Fascist Italy – by restoring its historic and spiritual values, as powerfully epitomised in the memorable speech delivered by the Duce when the first Governorship of the City was inaugurated.

It has been remarked not without reason that those words of Mussolini partook of the nature of an edict rather than a speech. They announced the law and the order for its enforcement. Within the next few years, he declared, Rome must appear in all its marvel to the peoples of all nations: vast, orderly, powerful, as in the days of Augustus. “ You must free the trunk of the ancient oak of all this overgrowth: clear the ground around the Augusteo, the Theatre of Marcellus, the Capitol, the Pantheon; all that has grown up around them during ages of decadence must go; the majestic temples of Christian Rome must be freed from all profane parasitic growth and the millenary monuments of our history stand out gigantic in their solitude; you must give houses, schools, baths, gardens, and sports fields to the working Fascist people; remove from the streets of Rome the senseless contamination of the tramways, and provide the new City that is growing up beside the ancient one with the most modern means of communication. And the third Rome shall stretch out towards other hills and towards the reconsecrated sea ”.

This means that whoever has the honour and the onerous duty of governing Rome must give thought first and foremost to the building problem, in its widest sense: both the planning and the amplification of the City to meet the needs of its growing population, and also the preservation of the monuments and artistic and historic treasures that have come down to us from the Republican and Imperial Ages, the period of the Renaissance and the great Pontificates.

This problem of the re-ordering of the City is more alive than ever at the present moment, in view also of the opposing and extreme tendencies that divide the ardent champions of the new Rome. According to some of them, ancient Rome ought to be transformed into a city completely responsive to the needs of a modern metropolis, involving the construction of great new arteries and the inevitable dismemberment and destruction of characteristic quarters bequeathed us by our forefathers. According to others, ancient Rome should be left intact and



intangible, like a dead city, and the whole life of modern Rome be directed to new centres and new quarters built beside the ancient city.

Now, in my opinion, it is only by an intelligent blending of these two tendencies that we can hope for success.

The intangibility of buildings which, especially during the less glorious centuries, grew up around the majestic ancient City, cannot and must not, out of local sentimentality, be regarded as a canon of the new renaissance. Let us by all means respect all the beautiful creations of the golden ages in Rome; but we must also bear in mind that Rome must become the Metropolis conceived and outlined by the Duce.

Modern Rome cannot estrange itself from the relics of its past, but in these very relics it must seek inspiration and incitement for the modern life of its people. Let modern Rome grow and increase in the outlying quarters, but a few well planned wide thoroughfares must allow the life of our time to flow through the ancient City also. And in tracing these thoroughfares, while respecting the glorious heirlooms of the past, let us seek not to repeat the errors committed during the last half century, such for instance, as the sorry lower portion of the Via Nazionale, and the mistake of those who apparently never perceived that Rome is one of the few Capitals surrounded by splendid mountains, such as Soracte, Monte Gennaro, and Montecavo, which might well have served as the incomparable background to the highways of the new quarters.

The Administration of the Governorship, before tackling the solution of the important basic problem, had entrusted the study of the new "Piano Regolatore dell'Urbe" (Re-planning Scheme) to a Commission, consisting of the most eminent experts in architecture and town planning, who met together on the Capitol on the 14th April of last year in the presence of the Chief of the Italian Government. Referring to the task which the Commission was called upon to carry out, Signor Mussolini defined it, "difficult and interesting: difficult, above all, because it is a question of reconciling at least four different cities co-existing in Rome, each of which had its own purpose and preserves its own character. We have to preserve this architectonic character, not mere local colour, which is sometimes in extremely bad taste, un-hygienic and anti-aesthetic. The liberation of the antique monuments - continued the Duce - from the ramshackle buildings that surrounded and, to some extent, still do surround them, achieves also the desirable result of revealing once again the plastic vision of the Seven Hills, well-nigh submerged by the chaotic constructions of past centuries".

Guided by these views, the Commission has concluded its labours: and the new plan of the City was recently submitted to the Chief of the Government, and approved by him.

Meanwhile, during these last two years, much has been done to restore

historic centres, such as the archeological zone around the Largo Argentina and that formed by Trajan's Market and the Forum of Augustus.

As a result of the demolition of the block of houses between Corso Vittorio Emanuele and Piazza S. Elena, which was demolished in order to make room for a big building to house the Istituto dei Beni Stabili, a wide area of the greatest archeological interest was brought to light, consisting of a spacious enclosure containing four now famous temples of remote antiquity, of which very little was known.

The question at once arose as to whether these temples ought to be preserved either entirely or in part. In October 1928, following on a visit of inspection by the Duce, it was decided without further ado that the area should be preserved *in statu quo*, and within a few months the heavy task of freeing and restoring it had been carried out. Thus, right in the very centre of the City, a wonderful oasis has been formed, where pines and cypresses grow around the venerable ruins, now forever saved from destruction.

At the close of the VIIIth year of the Fascist Regime, my Administration had the honour of completing the liberation of Trajan's admirable market, a work presided over by Senator Corrado Ricci with the proper pride of an Italian, the skill of a scholar, and the passion of an artist.

But following on these stirring revelations of the past, further treasures have been brought to light in that quarter of ancient Rome which is traversed by the Via Biberatica and comprises a part of the underlying Forums. Thus the whole Palace of the Priory of the Knights of Rhodes, skilfully restored, has reappeared in all the pride of its grand and delicate mass. Through the demolition of the houses which lay behind Via Alessandrina, the Palace of the Knights has been reconnected with the Forum of Trajan and Trajan's Market, the complete restoration of which is being worked at without pause.

On the occasion of the recent anniversary of the March on Rome, the demolition of the houses that remained standing between the Forum of Augustus and the Forum of Nerva revealed a complete panoramic view of the more important parts of the three Forums. Thus from Via Cavour to Palazzo Roccagiovine our eyes can now range over the remains of the whole monumental zone created by the first Emperors.

The complete isolation of the Capitol forms part of the vast programme which the present Administration is carrying out so as to restore the aspect of the City to its full dignity, a splendid and lasting work whereby Fascism will leave its mark on Rome's history.

Thus the last houses have disappeared between the Via Giulio Romano and San Venanzio, and in the corner between the Monument to Victor Emanuel and the stairway of the Aracoeli, the grand remains

of a Roman house, together with the picturesque relics of a little mediæval Church grafted thereon, have been artistically restored.

A fresh access to the Capitoline Hill has been secured by opening a street which, starting from the ancient Piazza delle Chiavi d'Oro by Via Marforio, reaches the entrance known as that of Sixtus IV.

The Capitol, custodian of the very soul of Rome, is thus regaining its impressive and magnificent backgrounds. The Tarpeian Rock, freed from the overgrowth of centuries of decadence, has returned to the light of day, while the superstructures and shabby old houses that stifled the Theatre of Marcellus have been gradually demolished. The demolition of another group of old buildings beside the Theatre, facing the excavation of Via Tor' de Specchi, has been carried out with like decision and speed. Simultaneously, and while the flank of the Church of San Nicola in Carcere was being disencumbered, a new road has been opened, leading from the Via Monte Savello side of the Theatre of Marcellus to the Tiber. The demolition of the buildings propped up against the Church of S. Nicola in Carcere has resulted in important archeological finds, columns and other fine relics of one of the Roman temples, with which the nave of the Church was partly incorporated, having been brought to light. Exploration has been made below the level of the street in order to reach the foundations of the Temple which are on the same level as those of the Theatre of Marcellus.

At the foot of the Capitoline Hill, now entirely disencumbered, the Via Tor de' Specchi, facing the imposing mass of the Theatre of Marcellus, has been widened and completed. But before being finally systematized, this highly important district was carefully explored last summer in the interest of archeology, and yielded some very important results. Close to the entrance to the Salita delle Tre Pile a splendid tract of the earliest city walls was discovered, close to which was an antique shop with paintings, together with other noteworthy remains. Further on were discovered the ruins of a house the most interesting part of which consisted in a room containing six stone mills.

Another house was brought to light at the very foot of the Tarpeian Rock; and yet another one at the point where the road bends towards Piazza Montanara, where the Church of S. Andrea in Vincis once stood. The remains of mural paintings were found here. But the grandest edifice was discovered right beside the said Church: this consists of well preserved baths with mosaic pavement and interesting frescoes. Fragments of statuary were also brought to light, two fine heads among other relics.

Works of great archeological and aesthetic importance have been accomplished in Piazza Bocca della Verità, the ancient Forum Boarium. The surviving monuments in this historic locality (perhaps the best preserved among the remains of ancient Rome) form the object of a vast plan of isolation, whereby they have by degrees been brought into con-

tact with one another and with the medieval remains: together they now present an inspiring spectacle. Surrounding the open space thus formed stand the Church of S. Maria in Cosmedin, the so-called Temple of Vesta, the Temple of Fortuna Virile, the Arch of Janus, and the Church of S. Giorgio in Velabro. These monuments have now been given ample breathing space, having for their background, on the one side, the slopes of the Aventine Hill, on the other the Palatine.

In the same quarter, the vast edifice of the Piazza dei Cerchi, intelligently restored, has gathered within its spacious halls two Museums that fill a long-felt want: the Museum of the Roman Empire, where the collections of that epoch are more worthily and roomily housed, and the new and highly interesting Museo di Roma, containing views of Rome in past times, costumes, and other records of the life of the city throughout the centuries. From these halls a magnificent view of the whole surrounding district may be enjoyed.

Other minor works of considerable interest have been carried out to re-order and restore other quarters of archeological and artistic interest.

The Tomb of the Scipios on the Via Appia Antica has been completely explored and restored to order. In this locality a beautiful park has been laid out, facing what is probably the longest stretch of the Aurelian Wall to be seen from the inside of the City; this grand Roman military defence is interrupted by a fortress designed by one of the greatest architects of the Renaissance, Antonio da Sangallo. The Bastione Ardeatino, as it is commonly called, a work of the greatest interest for the development of fortifications, was in a state of absolute neglect. The galleries, the casemates, the countermining chambers, were blocked up with earth; now they have been completely freed. Meanwhile, the more pressing work for reinforcing the structure has been attended to, while awaiting complete restoration already under way.

Further afield, the Porta Ostiense has been entirely explored and restored; this alone among the gates of the ancient city walls has partially preserved, throughout the processes of medieval restoration, its original anatomy, in the form of a castle with outer courts and a double row of passages. Much has also been done to restore the Walls of Rome.

On the 23rd October last, the disencumberment of the sepulchral crypt of the Mausoleum of Augustus was completed, thus restoring to Italy one of the most sacred spots of Roman times.

An outstanding monument of Christian Rome was re-opened to the public last summer: the Cloisters of S. Sisto Vecchio, the first foundation made in Rome by the great Saint. The chapter hall, which dates back to about 1220, and which had been cut in two and otherwise knocked about during last century, has resumed its ancient form; the Governorship of Rome, to which it belongs, has placed it in the charge of the Dominican Sisters in the adjacent convent.

In the Senatorial Palace, in addition to the renovation of some of the inner halls, the restoration of the great central hall was undertaken. At one time assigned to the Communal Council, it had been left for many years in a state of complete neglect. It has now been restored to the dignity proper to the principal Capitoline hall, reserved for important meetings: an antique and very fine statue of Julius Caesar is at the head of the hall.

A new gallery, decorated with tapestries of the Settecento, has been opened in the Palazzo dei Conservatori, adjacent to the picture gallery: the rich collection of porcelain belonging to the Capitoline Museum has been arranged herein. The re-ordering of the Picture Gallery and the Museo Mussolini has likewise been completed, as also the restoration of the little chapel built by my illustrious ancestor, Pope Gregory XIII.

At the close of the VIIth year of the Fascist Regime, the Antiquarium, formerly the archaeological Dépôt, built in 1895 to house all the material discovered day by day in Rome for which accomodation could not be found in the Capitoline Museum, was inaugurated after being considerably amplified.

But side by side with this work to restore and reclaim its glorious past, Rome has accomplished much during these last years in the way of modern town improvement.

From the census of 1921 to the close of 1929 the population of Rome had grown from 691,661 to about 922,000 inhabitants. During eight years the number of citizens of the Capital had thus increased by about 230,000, that is to say in the proportion of 33 %. This shows Rome to be in the throes of rapid demographic development; but a point of special significance in this regard is that it is one of the few great cities with a very rapid natural rate of increase.

In respect of births, the Capital occupies one of the first places among cities with over 100,000 inhabitants, coming fifth after Bari, Taranto, Palermo, and Naples.

Another point worthy of note is that still births are steadily declining and that the deathrate is low and tends constantly to diminish.

The striking decrease in the infant death-rate is another point worthy of note. This is a circumstance that not only demonstrates the value of the measures taken in the interest of infant welfare, but also the ever increasing improvement in the hygienic conditions of Rome.

The improvement in the conditions of life in the Capital is obvious: one token is the activity of the building trade, which has been doing a great deal more business of recent times. A number of other factors are, however, eloquent of the more active life of the Capital: space prevents us from entering into details, but traffic figures alone are extremely significant.

The bold reform carried out last year in public transports is close-

ly connected with this more strenuous life and increased need of communications.

Growth of population and the rapid increase of means of locomotion render the streets of all big cities less and less able to accomodate the giddy movement of vehicles and pedestrians due to the rush of modern life.

Surface tramways, owing to their lack of adaptability, create everywhere a serious block to street circulation and play a leading part in the congestion of the main thoroughfares. On the other hand, there is a continuous tendency to increase tramway locomotion, owing to the extension of building and the consequent need of rapid communication between one quarter and another. Hence the need of replacing the tramways by other and more elastic means of locomotion – a need Rome felt no less than other big cities.

This need was, indeed, more pressing in the Italian Capital than elsewhere. While other modern metropolitan centres, possessed of wide thoroughfares and able to carry out radical works of demolition, so as to open up fresh streets in the more crowded quarters, might weigh the pros and cons for replacing tramways by motor buses, there could be no doubt of the advantages of the latter in a city like Rome, with its historical past and all the monuments of antiquity it has bequeathed us, and with its narrow central streets so little suited to tramway circulation.

This fundamental necessity was mainly responsible for the resolution to which effect was given on the 1st January 1930 of ridding all the centre of Rome of tramways, and replacing them by motor omnibuses.

The reform – as everyone, even in the early and tentative days of the new system, could perceive – has conferred the following important benefits:

1) it has lessened traffic congestion in the most vital centres of the City. More than twenty central Roman streets have been ridded of tram lines;

2) it has speeded up public locomotion. Once having got rid of the tram lines, our motor buses – which are so much more agile and rapid – attain a much higher average speed, saving much waste of time in getting from one end of the City to the other. On many routes the public effect a saving of one half, or even more, of the time they used to spend in the trams – a benefit which the citizens thoroughly appreciate. The new system may be said to have brought the automobile within the range of all.

It has greatly enhanced the beauty and dignity of certain streets of primary importance – many of which are rich in historic monuments – such as the Forums of Augustus and Trajan, the Pantheon, the Largo Argentina, the Piazza di Spagna, etc. Romans are proud and jealous of the archaeological and artistic primacy of the Eternal City, and are far from blind to the aesthetic advantage thus achieved.

In addition to these immediate advantages we may look to others of no lesser consequence. One of these is the chance now opened of definitely repaving within the next few years our central streets, hitherto so constantly disrupted by the laying of tramlines and the ponderous transit of the cars. Thus, during the past summer and winter, the roadways have been completely re-laid in the principal Roman streets: Via Nazionale, Via del Plebiscito, Corso Vittorio Emanuele, Via Depretis, Via Quattro Fontane, Via del Tritone, the Tunnel, etc.

Now that the first perturbation caused by the new organization is over, Romans do not regret the tramways. Only the obstinate "last ditchers" who are unable to get over the disappointment caused them by the success of the reform, bewail aloud the financial peril to the Company caused by the new system of locomotion. But the burden will not be unduly heavy, especially as it will be partly compensated by the economy effected in the upkeep of the 22 kilometres of streets freed from the tramways. In any case, we must regard whatever increased financial burden may be entailed as one of the inevitable expenses to be faced to maintain the order and decorum of the Capital. The expenditure entailed by the management of a grand opera house and the construction and upkeep of parks and other enterprises which we owe to the fact that Rome is Capital of Italy, must be viewed in the same light.

I am far from suggesting that we have attained perfection in all these matters: indeed, the Tramways and Motor-bus Companies are considering measures to improve the present lines, so as to render them more and more adequate to the needs of the public. This is certainly no easy task, but one which all such services have to tackle, for it is up to them to watch and to be ready to provide for the currents of traffic which change from day to day, governed by the feverish rhythm of city life.

Little wonder that the attention and admiration of persons who have not watched the development of Rome from one day to another and who return here after an absence of some five or six years, is aroused by the highly up-to-date achievement of Ostia Seaside.

None of the great capitals of the world, not situated directly on the sea-board, could boast such close vicinity to the sea as Rome. But for centuries past this advantage had been overlooked and forgotten to an incomprehensible extent. Not even in the great epochs following the Roman Empire, nor yet in the golden ages of the restoration of the City, had the "Mediterranean sentiment" been present to the minds of the builders and patrons of the City.

Thus the shores of Aeneas were left out of mind as they were out of sight.

It is one of the incontestable merits of the Duce that he has given this breath of sea air to the City by means of an excellent and rapid railway service and by the new thoroughfare inaugurated on the

18th October 1928, lit by electricity in a manner perhaps not unique, but certainly unusual in any country. This fine auto-way, which connects the Capital with its traditional sea-coast, is by now one of the accomplished facts dear to the hearts of the citizens of new Italy – facts which so worthily replace the high-flown promises and doubtful premises of the official literature of past times.

All those who, before the Fascist Revolution, ventured timidly to examine the manifold problems bearing on the development of Ostia, were not only tepid in their faith in Rome's future, but displayed scant understanding of her needs. The old Piano Regolatore (Town Improvement Scheme) shows that Ostia was regarded merely as a separate borough; there was so far no proper grasp of Rome's need of expansion to the sea. It was the wish of the Duce himself that the scheme for the development of the Sea City should be carefully planned in advance, with adequate broadness of vision, that it might become an important centre, provided with wide thoroughfares, especially on the seaboard, shady avenues, and spacious parks. Studies in this direction have recently taken the shape of the new Town Planning Scheme of Ostia Mare.

Thus, while building is actively progressing, Ostia has already been provided with a generous water supply and a perfect drainage system, which places its beach in a privileged position as compared with many others. The Viale della Marina (Esplanade) is being prolonged eastward, in the direction of Castel Fusano, as well as westward; a number of new streets have been constructed and others improved; capacious squares (*piazze*) for parking vehicles have been made. The building of the big marine Sanatorium has been completed. This has been provided with all the most perfect modern equipment. The recent agreement between the Rome Governatorato and the Società Immobiliare Tirrena deserves mention. This puts the Governorship in possession of about 821,000 square metres of land, to be laid out in streets, parks, public squares, and buildings. Meanwhile, big industrial works are springing up around Ostia.

Thus Fascism, in addition to having given our working population access to the sea – so strengthening to the body and reviving to the spirits – is endowing the Capital with a sea-shore incomparable for natural beauty and the excellence of its public services.

Building activity – which is certainly an eloquent proof of the improved conditions of life in the Capital and a direct consequence of rapid growth of population – is being speeded up, especially in the suburbs. The Governatorato has sought to encourage private initiative by facilitating the expropriation of building areas and by thoroughly organizing all public services – streets, drainage, water supply, schools, etc. – in the new districts.

There is no doubt that one of the most difficult and delicate problems which public administrations have to grapple with is the construction and



upkeep of roadways; this is an arduous business in all modern cities where traffic has increased by leaps and bounds, and where the introduction of heavy, lumbering, but rapid vehicles has proved a heavy tax even on the most resistant forms of street paving. In spite of all this, however, we can state with some satisfaction that in this regard also Rome has, for some years past, begun to look really worthy to be the capital of a great Nation.

While the Governorship has provided for the construction of new thoroughfares (the roadway opened between the gardens of Piazza Barberini and the quarter facing S. Nicolò da Tolentino merits special notice), it has at the same time attended to the systemization and alteration of roads that demanded such work, either by reason of increased traffic or for other reasons.

As for the suburbs, sufficient funds have unfortunately been lacking so far to put their roadways into definite order; for building was wont to be carried on irregularly and chaotically, large blocks of buildings having sprung up at a considerable distance from the old quarters, entirely disconnected with these and under conditions in which the requisite extension of public services would have been a very costly matter. This has compelled the technical offices of the Governatorato to expend their efforts on constructing approaches to the new nuclei of buildings thus created in a sporadic manner in all the suburban districts, rather than provide, as would have been desirable, for the construction of big thoroughfares to complete the present roadway system.

In like manner, a vast effort has had to be made these last years to extend the sewerage system of Rome, with the help of the State, which has undertaken the construction of the main collectors. The system, which had an extension of 350,000 metres in 1919, now measures some 600,000 metres. Three new mains are in course of being built in the suburbs.

The water supply is a question of vital importance to Rome. While the Peschiera Acqueduct is still being studied, the reconstruction of the Acquedotto Vergine is well under way and, it is hoped, may soon be completed; this work aims at recuperating all the water which now gets wasted along the tract of the ancient aqueduct, and by thus increasing the quantity, to provide water for distribution to many of the new quarters of the City.

How great a benefit this new work will confer on the Capital may be judged from the fact that we shall thus have available a further 650 litres of water per second – a supply sufficient to meet the requirements of about 650,000 inhabitants, if we count 100 litres as the daily allowance per head; this does not allow for the fact that a further 250 litres of Acqua Vergine will continue to flow through the old aqueduct to supply our fountains and public services in general.

No steps have been neglected to bring the organization and equip-

ment of our schools into step with the rapid growth of the Capital's population. We have resolutely faced the arduous problem of school construction: during the last two years the fine buildings of the new Baccarini Schools in Via Sforza, the A. Diaz School in Via Spezia, and those of Torpignataro. Schools have also been opened at Borgo Acilia and Cesano; eighteen other school buildings, involving a total expenditure of 56 million lire, have in part been completed and are partly still being built in the City and the Agro Romano.

The equipment of the old schools is being steadily improved: ten of these have been provided with heating plant during the present year.

All the institutions subsidiary to the schools, especially for the welfare of poorer children, have been improved and developed, in obedience to the policy of the National Government, which aims at complete national restoration by making the people stronger and more conscious of their destinies.

Realizing the great importance that Fascism attaches to all forms of social providence, the Rome Governorship has recently done everything in its power to speed up action in this field: especially in connection with child welfare, the anti-tuberculosis campaign, the repression of begging, and by tackling the housing problem, which is of such exceptional importance not only for the general wellbeing of Rome, but also in connection with the recent abolition of rent restrictions.

In connection with child welfare, I got into active touch with the Patronato Scolastico (Committee of School Patrons) and the Opera Pia Colonie di Donato, so that these institutes may now be regarded almost as organs of the Governorship. The Patronato Scolastico, which is the first in the Country for its perfect organization, assists over 25,000 pupils of the Rome Governatorato Schools; during last year it set up 400 sections of the Dopuscuola and Dopoasilo ("after-school" and "after-kindergarten" institutes) and, with the support of the Governorship, which assists by annual grants (amounting at the present time to three and a half million lire), they distribute meals, clothes, books, shoes, stationery, etc.

Last year, being anxious that the citizens of Rome might form some idea of the progress achieved in the way of school organization and welfare work, we opened at the Casale Gualterio on the Colle Appio the First Exhibition of work done in the Dopuscuola Institution. This was a real revelation to the public, the memory of which is still green.

The work of the permanent School Colonies has been intensified with the assistance of the "Opera di Donato". At the present time there are three of these colonies, at Narni, Lanuvio, and Formia. Their term has been prolonged so as to coincide with the school year. All those who have visited them – both Italians and foreigners – bear witness to their excellence from all points of view. Further help has been afforded these summer "colonies" by the purchase of a big building

on the Riccione Sandbank, surrounded by fine woods, and by the completion and enlargement of the plants of the Opera Pia di Donato at Narni and the charming seaside resort of Formia. During 1930, the Governorship helped and treated more than 7800 children in the permanent daily and residential Colonies managed by the Patronato Scolastico, by the Opera Pia di Donato and the Opera Nazionale per il Mezzogiorno (National Institute for Southern Italy); at the Homes under the direct control of the Health Office, and the Colonies at Cingoli, Lanuvio, Caprarola, Cittaducale, Paganica and Amatrice, Ostia Mare, and those of the Polverini on the Tiber, at Monte Mario and Vigna Narducci.

A still more tangible success has been achieved in suppressing begging. The opening of the *Deposito di MendicITÀ*, which shelters at the present moment 350 old people, and the efforts made by the appropriate organs, have at last ridded the City of this nuisance.

The problem of housing the poorer classes, which up to the present had been tackled with zealous activity by the Istituto per le Case Popolari (Popular Housing Institute), called this year for more direct action on the part of the Governorship, especially owing to the difficulties arising from the passage from rent restriction to uncontrolled rents.

Thus, in addition to its normal activity on behalf of the homeless and the gradual riddance that has been made of those hot-beds of physical and moral infection, the remaining hut "kraals" (which had sprung up around Rome in the early days of the housing crisis occasioned by the sudden and over-rapid growth of population), the Governorship has had to devise ways and means of providing a considerable number of lodgings available at a low rent for the poorer classes.

The Governorship being unable for various reasons - neither last nor least among which financial difficulties must be reckoned - to provide directly for the building and management of new working-class dwellings; I managed to obtain the disposal of a very large number of rooms in 1930 and the earliest months of 1931, thanks to an initiative which has been widely appreciated: namely, by limiting the action of the Governorship to a simple contribution - amounting to 1000 lire per room - in favour of all undertakings which built within a given space of time houses answering to the needs of the situation, to be allocated to needy families at a price not exceeding 60 lire a month per room for a period of five years. Thus fully eleven thousand rooms have been put on the market at a low price, in decent buildings, supplied with all proper hygienic offices.

By way of integrating measures on behalf of the homeless, the Governorship built, on its own account, a number of rooms of the "Pater" type, at a cost not exceeding 5000 lire per room, thus making it possible to let these lodgings at a very low rent. Small groups of rustic dwellings are, moreover, in course of being built on the outskirts of the suburbs; these are plain, but full of air and sunlight, and, together with small al-

lotments, suitable for kitchen gardens, are to be allocated to the poorest evicted tenants.

In connection with this vast work of social assistance, the medical care of the people is daily increasing and improving: this is especially the case with respect to the campaign against tuberculosis and against malaria in the Agro Romano, where several new health stations have been built. The number of "*condotte mediche*" (panel doctors) has been increased where necessary; a "hygiene census" of dwelling houses is being taken; night medical service and pharmaceutical services have been amplified. The spread of health stations throughout the Agro, so essential for the reclamation of these districts, has necessitated the extension of the telephone service between the stations and Rome. In addition to this, 29 new public telephone stations have been opened in the Agro Romano to meet the urgent needs and wishes of the growing population: some of these are connected with adjacent medical stations, others being entirely independent. Owing to the growth of population and the formation of new quarters in the suburbs, measures have been taken to reorganize all the sanitary services of the City; similar steps have been taken for the complete reorganization and transformation of veterinary services, which had, in truth, been given but scant attention in the past. As regards medical-hygiene assistance, it may confidently be asserted that no means have been spared to safeguard the health of the population, with the result that – as statistics bear witness – Rome can hold its own among the most healthy cities of the Kingdom.

The Centre of Anti-tuberculosis Prophylaxis, recently instituted, is a model of its kind; the great Marine Hospital at Ostia, which serves as a sanatorium for the children of tuberculous parents, is a spacious and perfectly equipped establishment. Research into the causes of this dire contagion is actively carried on at four dispensaries (the Centrale, Regina Elena, Tiberino, and Umberto I) which work in connection with the Prophylactic Centre. To give some notion of the work done in this sphere, it will suffice to mention that the total number of consultations from September 1928 to August 1929 reached the figure of 70,000, as against 50,000 during the previous year.

Another by no means simple problem which has been resolutely tackled is that of the City's food supplies. In addition to the construction of the recently inaugurated covered markets in Piazza dell'Unità and Piazza Principe di Napoli, the Governorship has of late carefully revised the arrangements of the Central Fruit and Vegetable Market, in consultation with a Commission of experts.

The Campo Boario (cattle market) and the Fish Market have also been reorganized.

Under an agreement, whereby, among other things, the management of the Stabilimento Governatoriale del latte (Urban Milk Supply) has been handed over to the Rome Consortium of Producers, the import-

ant and delicate question of the milk supply, after long years of waiting, is about to be definitely settled at last. Thus the population can depend on a supply of really pure milk, furnished by the Roman Campagna, and therefore specially fresh and palatable, whereas, all too frequently in the past the genuine product of our Campagna took second place on the local market after reintegrated milk, which, apart from all other considerations, certainly does not offer the same value as human food. In its day, the *Stabilimento del Latte* – which was established under special circumstances and at a time when the Agro withered under desolating neglect, being obstinately ignored by government and communal authorities – managed directly by the civic administration, played a useful rôle, inasmuch as it was at times able to prevent artificial rises in the price of a commodity of first necessity. Now that, thanks to the gigantic efforts of the Fascist Government, the Agro Romano is once again flourishing and fructifying, it would have been an unpardonable mistake not to encourage the direct sale of the Agro milk to our people, and, at the same time, efficaciously second the fine and tenacious efforts made by our farmers in these parts, in a fine patriotic spirit, to realize the much desired and equally necessary economic development of our countryside.

This summary account would occupy too much space if we were to dwell on all the complex and multiform activities of the administration of the Rome Governatorato.

I wish, however, to point out that, while on the one hand we have set ourselves assiduously to the task of solving the most pressing problems, much has been done, on the other hand, to encourage initiatives bearing on the prestige and decorum of the Capital in the widest sense of these terms: from the handsome markets recently opened to which I have just referred, to public parks and gardens, and the truly admirable Teatro Reale dell'Opera (Royal Opera House).

Villa Umberto (Villa Borghese) has been saved from decadence by providing it with a more copious water supply, renewing its flower beds, and re-ordering the fine avenues.

In addition to the continuous embellishment of the parks recently planted – the very fine ones of the Scipios, the Colle Appio, and the *Rimembranza* – the City has now been enriched by a number of new gardens in various streets and piazze, apart from the “Virgilian” park, covering an area of 40,000 square metres in the populous Salaria quarter. Another Park is being laid out at the Testaccio, close to the Hill of that name.

Since opening up to the public Villa Aldobrandini, in the Via Nazionale, important improvements have been carried out in those magnificent gardens.

The Royal Opera House, renewed and re-opened three years ago under the auspices of the Duce and the zealous guidance of my predecessor, has raised Rome from the obvious position of inferiority in this re-

gard in which it stood as compared with other Capitals. The stage arrangements include all the most recent innovations in the way of modern stage machinery.

I do not claim to give in these pages a complete summary of the Fascist renaissance of Rome; there is still much to be told, especially in regard to the works carried out in the Capital by other public bodies, and first and foremost, by the Government itself.

I have merely attempted to dictate a few plain pages, in which I trust there is an echo of my great and devoted love for Rome – this Rome which the great minds of Italy have seen as in a far-off dream, and which thanks to Fascism is reclaiming its place in the world of reality, boldly, resolutely, and with the full vigour of life that reanimates the whole Italian people. Benito Mussolini has devoted his whole mind and heart to the future of Rome, convinced that the restoration of ancient Roman virtues is the *sine qua non* of Italian renaissance. And to-day, when Fascism and the Roman spirit stand firmly side by side, to-day when the Capitol has once again become the “ Sacred Hill ” where the Italian people are enacting their new history, to-day there is not a single region of Italy that does not feel that Rome is the centre of its glories.

Thus the statues of the Provinces, on the Altar of the Fatherland, in the heart of Rome, are no longer mere allegories, but seem quickened with life and to breathe in rhythm with the pulse of Rome: there is not a thought of Italian greatness that is not one with the Roman idea; not a son of Italy who is not a son of Rome – of this Rome which, according to the image of Benito Mussolini, is becoming more and more the thinking brain and the ardent heart of the Italian Nation.

# THE ITALIAN DEMOGRAPHIC PROBLEM AND THE FASCIST POLICY ON POPULATION.

by CORRADO GINI, *President of the Central Institute of Statistics.*

I. THE DEMOGRAPHIC SITUATION OF THE WHITE POPULATION WITH SPECIAL REFERENCE TO ITALY. — Italian population policy has its roots in recent scientific researches, in vital statistics and the evolution of nations, a field in which Italian scientists have been pioneers. A summary of the outstanding results of these researches may afford an appropriate introduction to the present article. Vital statistics, in all the white-race countries (save perhaps some of the South American states possibly not quite free from hybridation), show a more or less marked but, generally speaking, very definite decrease in the birth-rate. At the same time, however, there has occurred a reduction of the death-rate which has partially or totally balanced the lower rate of births. Thus, the rate of natural increase in population either has not yet declined, or has declined later and less markedly than has the rate of births. In those countries, however, where the decrease in the birth-rate is most marked, there has been already a clear decline in the natural increase (1). Such is the situation of Italy, where the birth-rate, reaching a maximum of 39.3 per thousand in 1876, has fallen gradually to 25.2 per thousand in 1929. The natural increase of the Italian population, at a maximum of 14.2 per thousand in 1912, has decreased to 10.5 per thousand in 1928 and 9.1 per thousand in 1929.

The demographic balance of all white-race countries, however, displays an excess of births over deaths—an excess which is remarkable in some cases. Only in France, in the least favourable years, and lately also in Esthonia, does it show an actual deficit.

Many people, fixing attention merely on these facts, have become alarmed at the prospect of over population. But careful investigation shows that it is peculiarly misleading to interpret the evidence in this way. The present excess of births depends, at least partially, and exclusively for some countries, upon the abnormally high proportion of the population in those age groups between twenty and forty. This age-class, to which procreation is almost exclusively entrusted and from which comes but a meagre contribution to deaths, is now disproportionately large, by virtue of the fact that the number of births increased up to the beginning of the century and diminished only thereafter (2).

(1) For a survey of the evolution of birth-rate and death-rate in the principal countries, cf. C. GINI, "La dinamica delle popolazioni," in *Trattato Italiano d'igiene*, vol. XVIII (Turin: U.T.E.T., 1930).

(2) Cf. especially R. R. KUCZYNSKI, *The Balance of Births and Deaths*, vol. I, *Western and Northern Europe* (New York: Macmillan, 1928); and C. GINI, "The Death of Nations," in "The Cyclical Rise and Fall of Population," in *Population* (Harris Foundation Lectures, 1929; Chicago: University of Chicago Press, 1930). Cf. also L. Dublin and A. J. Lotka, "On the True Rate of Natural Increase," in the *Journal of the American Statistical Association*, Sep-

If one eliminates the effect of this transitory circumstance, it is clear that the condition of the white race, from the standpoint of demographic vitality, is far from favourable.

Comparing the number of females from twenty to thirty years of age, as ascertained by the most recent censuses, with female births during recent years, one is convinced that the latter cannot reproduce in twenty to thirty years the number of the former—allowing, of course, for prevailing rates of mortality. In England and Wales, for example, the last census of 1921 counted 3,323,000 women between twenty and thirty. The average number of females born yearly in recent years (1927 and 1928) has been not quite 322,000. This means that, if no English woman should die at an earlier age than thirty years, we must expect that in a generation there would be 3,220,000 women between twenty and thirty, that is, a number less than that of the last census. But in reality about 15 per cent of the females born in England and Wales die before that age. So, we may expect that in a generation the female population of England and Wales between twenty and thirty will be diminished by more than 15 per cent. Not essentially different, though perhaps not everywhere so serious, are the conditions of Scotland (and probably also Ireland), Finland, Esthonia, Latvia, Sweden, Norway, France, Belgium, Germany, Switzerland, Austria, and probably Hungary (1). In other words, the populations of all the states of Western, Northern, and Central Europe should be considered as virtually on the way to decrease, with the exception of two small states, Holland and Denmark, the latter of which does not seem, on the other hand, very far from the conditions of the other Scandinavian states. But in Italy and Spain (the data for Portugal are wanting), and in all the Slav nations south and east of the virtually decreasing populations, population gives promise of continued increase.

The countries outside Europe, for which the data are at hand (Egypt, Canada, Argentina, Chili, Australia, New Zealand, the Union of South Africa, Japan, and probably British India), are still effectively increasing in population. The United States seem to be near to, if not already in, a virtually stationary condition (2). It has been calculated that this stationary condition will become effective between 1965 and 1970; after these dates the population of the United States is expected to decline. The decline will begin even sooner in some European countries. It is expected in 1937 for France, in 1942 for Great Britain, in 1946 for Germany (3).

tember, 1925; "The True Rate of Natural Increase of the Population in the United States. Revision on Basis of Recent Data," *Metron*, VIII (1930), No. 11, and C. GINI, *I fattori demografici dell'evoluzione delle nazioni* (Turin: Bocca, 1912).

(1) Cf. C. GINI, "The Death of Nations," *loc. cit.*

(2) Cf. C. GINI, "The Death of Nations," *loc. cit.*, and Dublin and Lotka, *op. cit.*

(3) Cf., for France. A. SAUVY, "La population française jusqu'au 1956, Essai de prévision démographique," *Journal de la Société Statistique de Paris*, December, 1928, and January, 1929;



However, for the other white-race countries, especially for Italy, there arises a problem: Are they truly in a completely different condition from that of the states of Northern, Central, and Western Europe, so that their demographic future may be contemplated with assurance, or do they find themselves only in a preceding stage of the same demographic evolution, wherein the germs of decadence are not yet manifest?

Multifarious indications induce eminent men of science to think that human populations, like individual organisms, in their evolution, follow a cycle (1). Whoever admits such a theory finds, in demographical statistics and in the social manifestations of the white populations of the present, not a few symptoms of a more or less advanced senility. And other persons, who do not bind their forecasts to the conception of biological cycles, hold that, for sundry causes, the white populations are doomed to a more or less rapid decline, if not altogether to extinction. Others hold that the present trend leads to a stationary level, which is destined to become the normal condition of civilized populations; and, finally, others are confident that the amount of a population may in future be rationally regulated by means of a control of births, so as to be kept in that condition which corresponds to an "optimum" from the point of view of both quality and quantity (2).

II. THE EFFICACY OF GOVERNMENT INTERVENTION IN THE DEVELOPMENT OF POPULATION. — Under such conditions three questions may be raised (1): Is a demographic policy on the part of the state justified? (2) Can one foresee that such a policy would be effective? (3) In what direction should such a policy be carried out? A negative answer to the first question signifies that the state has properly no concern about the increase or decrease of its population. Such a view is hardly defensible. The second question arises for all those who admit that the present populations tend toward stationary levels or permanent decline but, above all, for those who hold that the evolution of a popu-

for Great Britain, A. L. BOWLEY, "Births and Population in Great Britain," *Economic Journal*, June, 1924; for Germany, "Richtlinien zur Beurteilung des Bevölkerungsproblems Deutschlands für die nächsten 50 Jahre," *Statistik des Deutschen Reichs*, vol. CCCXVI. The information for the United States has been kindly given to me by Dr. Dublin. The results of similar calculations for Italy are summarized in my paper presented to the Nineteenth Session of the International Institute of Statistics; C. GINI, *Calcolo di previsione della popolazione italiana del 1921 al 1961* (Tokio, 1930). Cf. also, on the same subject, the *Notiziario demografico* edited by the Central Institute of Statistics of the Kingdom of Italy, April 16 and May 1, 1930. A more detailed report will be published shortly in the *Annali di statistica* edited by the same Institute.

(1) Cf. C. GINI, "The Cyclical Rise and Fall of Population," *loc. cit.*

(2) Cf. C. GINI, "L'optimum quantitativo della popolazione," in *Nascita, evoluzione e morte delle nazioni*, "Libreria del Littorio," (Roma, 1930). This report and the following discussion may be found also in the mimeographed proceedings of the round-table conferences held by the Norman Wait Harris Foundation (University of Chicago) in June, 1929. Cf. *Population and Migration*, III pp. 793-856. On the same subject, cf. an earlier article "Considerazioni su l'optimum di densità della popolazione," *Economia*, July, 1927.

lation follows, owing to biological causes, a cyclical trend. This last theory, however, does not necessarily lead to the conclusion that the intervention of the state must be ineffective, just as the acknowledgment that life in an individual follows a cycle does not lead one to deny the wisdom of direct intervention aiming at prolonging life or eliminating some of the causes of death (1).

Certainly there are not lacking examples in history, both ancient and modern, of the inefficacy of governmental measures aiming at checking a decrease in birth-rate; but one can maintain that the government's interference was undertaken too late, when the demographic crisis was too advanced, or that it was not properly directed.

The wisest means to increase a population is certainly that of favouring the natural tendency to expansion of the demographically most vigorous branches, instead of forcing the reproduction of the less fertile individuals or classes. Special tax-levies upon bachelors and couples with few or no children, if they are to be recommended from a fiscal point of view, may have indirect advantages from the standpoint of population, for funds thus raised may be used to promote demographic increase; but their direct consequences are probably of little importance.

To assist the most numerous families in their struggle for life, to lessen the high death-rate which partially annuls their contribution to future generations, and to retain or transplant their members to places where the natural tendency to expand—partially hereditary—meets with fewer social obstacles, this is the most suitable program. In such a scheme are included provisions for checking emigration abroad, on one hand, and toward the cities, on the other. Being more easily recruited from the most fertile classes, emigration deprives nations of their most vital stocks or exposes them to the deteriorating action of urban surroundings. The program also includes transplantation—a classical method of colonizing of Latin stocks—of persons belonging to prolific families, to deserts or to lands relatively uninhabited. Such a practice, because of the race mixtures which inevitably result, cannot but be favourably regarded by scientists who see in the cross-breeds the prime source of the birth and revival of nations.

On the other hand, the use of subsidies paid according to the number of children born, seems, in the light of experience, less clearly effective. It is not practicable to make the subsidies large enough to compensate families for the expenses of additional offspring. Indeed, the system may only fortify that dangerous economic psychology which, getting the upper hand over instinct, constitutes the most powerful and immediate factor in the decline of births.

Just as the object is different, so also is the result of special awards

(1) Cf., on this subject, C. GINI, "Problemi della popolazione," *Annali dell'Istituto di Statistica della R. Università di Bari* (1928), p. 11.

to families of exceptional prolificness, when this is coupled with exceptional endowments from a civic, physical, and moral point of view. Such payments, owing to their irregular character and amount, cannot be considered as compensation and imply no right on the part of beneficiaries. Yet they do contribute to a program which aims at honouring maternity and glorifying family-life.

There are reasons for thinking that difficulties as to housing and employment do not often constitute the determining factor in the limitation of offspring, but are used as an excuse for an already existing tendency. But one cannot deny that by eliminating such pretexts some results may be obtained. More telling, of course, are provisions for cultivating and reinforcing those feelings of family solidarity, national loyalty, and religious sentiment, which, while they cannot serve as substitutes for a genetic instinct, do represent powerful allies in the struggle against the invading rationalistic egoism.

That one should give attention above all to the birth-rate, in a demographic policy of encouraging natural increase, does not imply that the death-rate should be neglected. Its reduction augments the natural increase and is not harmful from a qualitative point of view, so far as it involves reduction of deaths from causes which have not a selective character, as are frequently the deaths of illegitimates and orphans and deaths from infectious diseases. Mussolini's formula: "Maximum birth rate, minimum death rate," certainly constitutes the most efficacious program of a demographic propulsive policy (1).

### III. REASONS FOR A PROPULSIVE POPULATION POLICY IN ITALY. —

If, then, one maintains with confidence that the intervention of the state, wisely directed, may stimulate the growth of population, there remains the question whether action in this direction is justified in Italy at present. There is certainly a possibility that in the future the vitality of the Italian population may diminish; but such a danger does not seem imminent; and some will hold that measures necessary to avert it may be taken when it has manifested itself. Some consider that there is at present, not a scarcity, but a superabundance, of men. Evidence of this is found in the tendencies of the labouring classes to emigrate and of business men to contract loans in foreign markets, and in the persistence of unemployment (2).

As regards unemployment, it is not difficult to answer that scientific analysis has by this time revealed that its explanation in the time we are passing through is not to be found in an excessive number of workers. It is, instead, essentially caused by the inertia of wages in following

(1) Cf. B. Mussolini in the Preface to the Italian translation of the pamphlet of Dr. R. KORHERR, *Regresso delle nascite. morte dei popoli* (Rome: Libreria del Littorio, 1928).

(2) The question is discussed in the article of C. GINI, "Le obiezioni alla politica della crescente natalità," in *Archivio fascista di medicina politica* (Parma, September-December, 1928).

changes in commodity prices. Such inertia is, to some extent, unavoidable; but, in part, it represents the consequence of that rigidity in the wage system which results from extra-competitive controls—a rigidity analogous to that of fixed prices, now applied to so many goods and services. This system of relatively inflexible wage-rates is continually spreading, owing to its obvious advantages in avoiding frequent disputes and long negotiations. A certain amount of unemployment results, therefore, unavoidably in a modern nation, especially as its industries become more highly developed and specialized (1).

On the other hand, the tendency, whether of labour to emigrate or of business men to import capital, is governed exclusively by individual economic advantages. But the state, besides considering the welfare of single individuals, must take account of the collective economic power, in which average individual income is only one of the component factors. Besides economic considerations, it must take account of others, among which military considerations are not of least importance. The relation between the size of population and the economic and military power of the nation is obvious (2).

Furthermore, the state must have at heart not only the advantage of the present generation, but also that of generations hereafter. Mussolini was quite right when he said that one who is not able to look at least fifty years ahead has no right to rule a nation. It is an illusion to think that the intervention of the state, carried out when the danger of depopulation has appeared, may change the situation. The fact is that, on the one hand, the number of births at a certain moment is largely determined by the amount of the population (and especially the female population) of a productive age, and this essentially depends on the number of the births which have occurred from twenty to forty years before; on the other hand, that the lever of governmental provisions does not work—the example of ancient Rome shows it clearly—when it has allowed the psychological basis of the family to be undermined (3).

The demographical situation of a nation must, moreover, be viewed in relation to that of neighbouring states. Now, from an international point of view, it is clear what the future prospects are, if, as everything makes us believe, the latent demographical crisis of Northern, Central, and Western Europe is destined to manifest itself and become accentuat-

(1) On the relations between unemployment and overpopulation, cf. the article of C. GINI, "Disoccupazione e sovra-popolazione," *Atti della Società Italiana per il Progresso della Scienza* (September, 1928) where the various theories are discussed.

(2) Cf. the "Report on the Population Policies of Different Nations" and the following discussion in *Population and Migration*, II, 559-624. The report is published in Italian, and the discussion is summarized and commented on in the above-quoted volume: *Nascita, evoluzione e morte delle nazioni*.

(3) Cf. "Problemi della popolazione," *loc. cit.*, pp. 11-13, and the discussion of the above-cited "Report on the Population Policies of Different Nations."

ed. <sup>¶</sup> Either such populations will be followed at a short distance on the same path by other nations of the white race which surround them, or the latter will continue instead, for a long time still, in their ascending development. In any event, one sees as inevitable some great disturbance which would re-establish an equilibrium between the zone of demographic depression and the border areas of increasing pressure. The size of the depression zone would naturally vary according to the two hypotheses considered, and consequently the range of races eligible to displace the senescent populations would be different. In the latter case the peoples brought into the depression zone would presumably be white; in the former, they would be yellow, Indian, or Malaysian.

In any event, it is vital for a nation like Italy, which finds itself on the margin of the zone of demographic depression, to avoid being drawn in, and to await the future in a condition of the utmost demographic potentiality. Here is the scientific basis of the propulsive population-policy adopted in Italy by the will of Mussolini.

IV. THE FASCIST POLICY: APPLICATION. — Let us now examine in more detail the principal steps taken by the government and by local bodies to implement this policy.

By the law of June 14, 1928, No. 1312, and by Royal Decree of August 10, 1928, No. 1944, the government introduced most generous tax-exemptions for larger families: (a) an exemption of 100,000 lira of total income from the progressive, complementary tax on income and from the additional levies of the communes; (b) a partial reduction for higher incomes, so as to exempt 100,000 lira from the tax on "movable income" and from the communal tax on industries, from the related provincial tax, from the tax in favour of the provincial economic councils (normally levied on the same base), from the taxes (and additional levies) on lands and buildings, and from those on agricultural profits; (c) total exemption from the communal taxes on licenses, on house-rents, on cattle, from the special tax on goats, from syndicate-contributions, from taxes (and additional taxes) for every order and grade of schools and educational institutions. These partial or total exemptions from taxes are enjoyed by the officials and employees of the state (even if they are on the pension list) and those of other public bodies, when they must provide for seven or more children of Italian nationality; also by those who, even if they are not in public employment, have to provide for ten or more children of Italian nationality or have had twelve or more children, quick-born and vital, of Italian nationality, of whom six must be provided for.

The Decree deserves also to be particularly considered because it establishes that, in the computation of the children, there shall be included, besides those legitimate, also natural children recognized by one parent. It extends, then, to illegitimate families, those provisions

which up to now were reserved for legally constituted families. In this manner, the acknowledgment of children is encouraged, merely through pecuniary incentive to be sure, but with obvious moral and material benefits to illegitimate children.

Measures unfavourable to the unmarried have also been enacted. Of the tax on bachelors we shall speak later on. Here we wish to mention the law of June 6, 1929, No. 1024, containing provisions in favour of demographic increase. By this law, bachelors and spinsters may no longer be given preference for employment by the state, provinces, communes, or other public institutions. Indeed, other things being equal, married persons with children must always be given preference over those without children; and these, in turn, over the unmarried. Such provisions are also extended to contracts of private employment. Mussolini has announced (1) that rules of public bodies or associations and corporations under state control, which exclude married women from employment or grant preference to spinsters or women with one child, are no longer compatible with the demographic principles of the government.

Similar discriminations against the unmarried and against childless couples are practiced in the allotment of the workmen's dwellings and of inexpensive houses built with the assistance of the state, provinces, communes, and public charity institutions. Similar provisions regulate grants and administrative authorizations. In addition, the government has undertaken to provide family allowances for its employees of lower rank with children under age. These allowances vary according to the classes of employees from 150, to 135, 130, and 50 lira per month, and are made in addition to the grants of 30, 25, 20, and 10 lira, respectively, per month for each child up to three, the contribution being doubled when the number of children exceeds three (Law of June 27, 1929, No. 1047).

These laws are intended to assist those who have families to support. Others aim instead at protecting and assisting maternity and infancy. By the law of December 10, 1925, No. 2277, the government has undertaken to protect women during childbirth and infants from the suckling period through the pre-school and school years. It is a vast program, still in process of development, entrusted by the state to an institution known as the "Opera Nazionale della Maternità e dell'Infanzia"—a program which places Italy in the vanguard among the nations with respect to this sort of social legislation.

According to Article 4 of the law, the "Opera Nazionale della Maternità e dell'Infanzia" is charged with the task of protecting and assisting: (1) women during pregnancy, especially needy and abandoned mothers; (2) suckling children and weaned ones up to the fifth year

(1) Circular of November 17, 1928, issued by the Ministry of the Interior, No. 2698.

if they belong to needy families; and (3) children physically or psychically abnormal and children abandoned, strayed, or delinquent, up to the age of eighteen. The "Opera Nazionale" has also been entrusted with the task of disseminating scientific methods of pre-natal and infant hygiene; of establishing clinics for the care and supervision of women during the period of gestation and especially for the treatment and prevention of syphilis; of founding schools for training in the care of infants; of organizing popular instruction in infant and maternity hygiene; of establishing, in co-operation with provincial governments, anti-tuberculosis associations; and of assisting the local authorities in combating infant-diseases and especially in anti-tuberculosis prophylaxis work.

By the same law, hospitals, lying-in clinics, and similar institutions are obliged to provide, within the limits of their facilities, for the care of women beyond the seventh month of pregnancy, during confinement, and four weeks after delivery, even if the women, according to regulations of the institutions, are not entitled to free service. Furthermore, the rules enacted in 1907, regarding absence-leave for women in industry during childbirth, are made applicable to public employment.

The vigilance and protection of the "Opera Nazionale" is also extended to children for whom parents are unable to provide and to those in morally dangerous surroundings. The children may be placed in institutions or elsewhere to guarantee proper care. Employment of children under fifteen in theatres, circuses, and similar places—so often abusive and morally harmful—is forbidden. Their attendance at certain cinematographic spectacles may also be prohibited. It is forbidden to sell or give alcoholic drinks to school children, to serve them such drinks in public places, or to provide them with tobacco in any form. The "Opera Nazionale" is authorized, by the Law of May 8, 1927, No. 798, to assist children born of illegitimate union and recognized by the mother alone, when the latter intends to suckle and raise the child. But the law, while it comes to the aid of the fallen woman, prosecutes abortion as a crime. It not only punishes the culprit and all accomplices, but also provides, by means of police regulations, for the deportation of those physicians and midwives known to have repeatedly participated in this illegal practice.

Measures of the kind contained in the laws for protection of maternity and infancy involve large expenditures. To provide necessary funds, the state instituted, January 1, 1927, a progressive, personal tax on bachelors, from twenty-five to sixty-five years, inclusive, supplemented by another levy progressive according to the total income received by each bachelor. Further discrimination in taxation has been effected recently (1930) against bachelors and couples with less than two children. The inheritance tax, previously abandoned for transfers within the family, has been re-enacted, though at low rates, as against these groups.

Other measures have been taken to prevent depletion of our demographic wealth through emigration. The government, without totally prohibiting emigration, has endeavored to reduce it drastically and also to encourage the return of subjects who have already departed. Effort is made to absorb additional labour in agriculture, which, as it becomes increasingly intensive, requires more hands. In particular, our department for the general direction of Italians abroad, has endeavoured to persuade Italian women, resident in France, to return to their home towns in Italy to be delivered, for the child of an Italian subject born in France is considered French. The persuasion-activities of the department are supplemented by financial inducements—refund of traveling expenses and assistance at child-birth by means of subsidies.

Another provision not less efficacious, to which the Italian government pays a great deal of attention is the reclamation of land. To a special Under-Secretary of State is entrusted the duty of administering the far-reaching laws which have been enacted by the government in this connection. In view of the great advantage that the reclamation of land has for the nation, from economic and financial as well as from sanitary and demographic points of view, a high percentage of the expenses of reclamation is met by the government or the local authorities. It is calculated by some authorities that the land to be redeemed will accommodate a population of ten millions. It is also anticipated that the production from redeemed land and the intensified production of other districts may render Italy self-sufficient in regard to the consumption of wheat. In the meantime, it is clearly perceptible that several zones, in which the work of reclamation has made most progress during recent years, show no reduction in the birth-rate, and in many cases show an increase. The government has facilitated the development of their population by transferring to areas to be reclaimed families from the more prolific communities of the Venetian and Emilian country.

We have already referred to the damage resulting from increased urbanization. Migration to the towns deprives agriculture of hands, sometimes provokes economic crises, and aggravates the housing problem in our urban centres. Nor must we forget the damage caused to the race by forsaking the free life of the fields for the unhealthy life of the city. Mussolini has personally called attention to the progressive decline of the birth-rate as a consequence of the monstrous growth of cities. Country people, drawn to the cities and taking up residence there, become less prolific. At the same time, through depopulation of rural areas, agriculture decays. This means a deficiency of the fundamental means of subsistence and progressive impoverishment of the nation.

By the Law of December 24, 1928, No. 2971, there has been conferred upon the Prefects the power and duty of curtailing the increase of urban populations. All those who arrive in cities without means



of support and those who, having received promise of jobs, remain unemployed and have not the prospect of securing employment within a short time, all these must be sent back to their homes and warned not to return to the city whence they have been expelled. The application of this law is not intended to create a residence-monopoly for workers already established in the towns. Indeed, it must be carried through entirely in that spirit of social equity corresponding to the higher principles of moral order which have inspired and dictated it.

Besides this action of the state, many similar measures, constituting an elaborate system, have been taken by local bodies, in accordance with instructions issued by Mussolini. Some of these have already been mentioned in connection with the matter of tax-exemption. We wish to mention here the numerous bonuses and prizes granted by the communes as rewards of fertility. Some are merely fixed allowances for each child born; some are in the form of annuities paid for each child after the sixth or eighth, and continued up to the child's fifteenth year. Frequently, communes provide for special grants to the family or families considered most promising for demographic ends, to those having the greatest number of children, and to those which have been most prolific during given periods of time. For example, one commune has established five yearly prizes of 100,000 lira each, payable to those families which have had the largest number of children during the preceding six years. The sums are deposited in a bank, in favour of the children; the interest is payable to the parents and the principal to the children as they come of age. Many communes issue diplomas and confer medals in such cases.

Other localities grant reduction in tram-fare, or free tram-service, to large families, or offer reduced rates for gas and electricity. Some make such families eligible for poor-relief, provide free medical service and free medicines, or reimburse the expenses of child-birth. Children of large families are often provided with school books and supplies; they are sometimes admitted on special terms to mountain and seaside colonies; and special educational scholarships are made available to them.

Sundry mountain communes have endeavoured to check the exodus to the cities by subsidizing the construction of modern homes, in place of the old timber cottages. Others have tried to improve living conditions by introducing electric lighting, installing water-works, improving roads, and, above all, by starting regular motor-bus service to and from nearby cities, in order to lessen the degree of isolation.

The press has carried on effective propaganda-work, by publishing data on the demographic movement, reproducing portraits of large families, and by granting prizes to communes showing the highest birth-rates. Mussolini himself has taken part most actively in this campaign of popular education. He has appealed to the people at every opportu-

nity, and has personally conferred prizes upon prolific parents and upon women having more than one child at a time. He has written for newspapers and journals; and his preface to Doctor Korherr's book has provoked much thought in Italy upon our population-problem.

The renewed religious fervor, which has been encouraged by the government, also helps greatly in the struggle against the decrease of births. It strengthens family ties; it makes parents consider their offspring as a gift of God and the wealth of their country; it opposes to individual egotism the tranquil, domestic joys; and it points to numerous offspring as the best guarantee of a serene old age.

The whole campaign against the decrease of births was begun only recently, too recently, perhaps, to permit measurement of its results. Indeed, these results may never be estimated accurately, for the course of birth-rate and the rate of natural increase should, for this purpose, be compared with that hypothetical course which they would have followed if Mussolini's propulsive policy had not been attempted. However, it can safely be stated that this policy has been beneficial, in as much as it serves as a sort of dike for Italy, protecting her from those neo-Malthusian tendencies which are undermining the future of other nations. If it meets with adequate response in the national consciousness, it will prove a great advantage to Italy in the contest of nations for survival.

One cannot better conclude this discussion of Italian population-policy than by citing the words of Mussolini, its principal artificer:

"My conviction is that, even if the laws were shown to be of no avail, it is necessary to try them, just as all sorts of medicines are tried when, and more especially when, the case is a desperate one (1). . . . . But I think that our population measures, negative and positive, may prevent or retard the decline, provided the social organism to which they are applied is still capable of reaction. In these matters, more than formal laws, the moral custom and, above all, the religious conscience of the individual prevail. If a man does not feel the joy and pride of being continued as an individual, as a family, and as a people; if a man does not feel, on the other hand, the sadness and the shame of dying as an individual, as a family, and as a people, then laws—and I would say especially Draconian laws—avail nothing. Laws must be employed as a stimulus to custom." (2).

(1) Cf., in the same sense, C. GINI, in "Problemi della popolazione," *loc. cit.*, and in the interview on "La natalità e la potenza delle nazioni," given to *Il Popolo di Roma*, January 29, 30, 1928.

(2) Cf. the above-quoted Preface to the pamphlet of Dr. KORHERR. This Preface has also been published in the review *Gerarchia*, September, 1928, as a paper entitled "Il numero come Forza."

# ITALY'S NATIONAL ORGANIZATION FOR THE PROTECTION OF MOTHERS AND INFANTS.

by GIAN ALBERTO BLANC, *President of the National Institution for the Protection of Mothers and Infants.*

If it had been the intention of the National Government merely to strengthen and render more efficacious the good offices rendered to deserving mothers and children both by the Ministry of the Interior and the Prefectures, the obvious course would have been for it to increase their respective budgets by making further appropriations. The fact that it chose rather to create a whole new organism, known as the *Opera Nazionale per la protezione della Maternità e dell'Infanzia* (National Institution for the Protection of Motherhood and Infancy) is a proof of its well-pondered determination to institute a new social welfare scheme, in keeping with modern views: one fit to develop, in a form in Italy now known as « *totalitaria* », or comprehensive, the new Fascist concept of social assistencial work.

Thus the care of mothers and infants is no longer entrusted, as in the past, entirely to charitable enterprise, whether public or private. Far from us be it to underestimate the high social value of charity, one of the noblest impulses of the human soul, moved by a religious sense of human solidarity; but charity is more properly directed towards those members of the community who have somehow or other fallen into disaccord with the national order of things; it is a means of offsetting in some measure "negative values", destined to remain such, rather than of creating positive values for the increment of the country.

The *Opera Nazionale Maternità ed Infanzia*, without in any degree ignoring or disparaging the high merits of the Country's charitable enterprises, for which there are as ever innumerable outlets, has, on the one hand, sought to co-ordinate them and direct them into more effective channels for the well-being of the race, and, on the other hand, has taken direct measures to give full effect to all factors capable of becoming useful to national life, which is the synthesis of individual life. And in order to stamp this National Welfare Work on behalf of Mothers and their little ones with a definite character of its own, the Government not only issued regulations, which have been enacted as law, so exact and minute in all particulars as to be termed by the Council of State a complete treatise on the care of mothers and infants, but with significant intention it has devoted the entire revenue from a new tax to supply the necessary funds for the Institution: i. e. the tax on bachelors.

According to the views held by the *Opera Nazionale Maternità ed Infanzia*, the care which it takes of Mothers and Children, on whom the very future of the Country rests, is bound in the long run to repay the cost of the enterprise. Thus in the case of individuals who are *morally* in need of assistance, the Institution is ready to come to their aid

only where it foresees the chance of a return to normal moral conditions; where, on the other hand such assistance is required on behalf of persons physically unfit, either the child or the mother must be judged capable of returning to normal physical conditions, such as to render them useful members of society, thanks to the Institution's assistance.

But in all cases where this is possible, the work of the Institution must be regarded as complementary to the personal effort made – within the limits of their means – by the parents themselves. Thus the Institution supports and guides, but has no tendency to supplant the effort which all individuals are bound to make to keep themselves and their offspring afloat. The admission of mothers and children into homes, or such material assistance as is afforded them, is graduated according to such resources – however limited – as they themselves dispose of. The Institution does not grant any doles till after careful enquiry has been made: such “doles” usually consist of food or other forms of help which the case may demand; and whenever it takes over the charge of a child it always demands some contribution, however small it may be, but sufficient not to relieve parents from all sense of responsibility towards their children by handing them over entirely to the care of others.

Special importance is attached to the inspection services, both administrative and medical; these being entrusted to tried officials who have given proof of their competence. This is essential in an institution which has the duty of ascertaining the real condition of things before rendering assistance.

The Institution's health services may be regarded as divided into three main branches: the actual technical services, inspection, and hygiene propaganda. The technical health department studies all medical problems, new schemes, the state of health and hygiene conditions of persons and institutions applying for assistance, and keeps in touch with the Health Department of the Ministry of the Interior, State-subsidised organs, and welfare institutions.

The inspectorship department, as above stated, has the responsible task of noting any deficiencies that may exist in institutes that take in expectant and nursing mothers and children, while the hygiene propaganda department is responsible for equipping special schools for the Institution's doctors and nurses and setting up dispensaries for hygiene propaganda in country districts and small centres, as well as the suburban districts of big cities, and lastly it undertakes direct propaganda by means of a periodical and other publications to popularise the rules of hygiene among the people.

The administrative office, on its side, attends to general management, the examination of applications for assistance, the study of all forms of propaganda apart from actual hygiene, and the housing and care of mothers and children who stand in need of moral or material help.

In addition to the above, a special office, placed in the charge of experts, studies all questions of a legal character and prepares schemes of decrees and regulations to be submitted to the National Government.

Connected with this central organization is a circumferential organization comprising the Provincial Federations and the Committees of Patrons.

The Provincial Federations are organisms which unite all the bodies that concern themselves with the care of mothers and children throughout the Province. The Council of the Federation is composed of members chosen from among the Presidents of these institutes. The Council also counts among its members a representative of the National Fascist Party, a representative of the Women's *Fasci*, and a Provincial doctor representing the Prefect of the Province. The Provincial Federation is, in short, the intermediary organ between the Central Office and the communal committees of patrons, which latter – at least one for each commune – carry on a vast scheme of welfare work over the whole country. These are the real executive organs of the Institution.

Altruistic ideas and the sense of duty and responsibility which Fascism has fostered play an important part in allotting the managing posts of the *Opera Nazionale*, inasmuch as neither the Chief of the Institution, at the present time Royal Commissioner extraordinary, nor the consulting doctors, at present sub-Commissioners, nor the Presidents and Councilors of the Federations, nor, lastly, any of the patrons, receive any salary or any fees whatsoever. When we reflect that for many of them, especially for those occupying the most responsible positions, the office is by no means a sinecure, but entails a great deal of labour, and takes up a lot of time from ordinary occupations, apart from travelling and correspondence expenses of no negligible kind, the disinterestedness shown by all these people gives some notion of what a sense of duty stands for in the Fascist State.

Fitted into this framework and thus organized, the *Opera Nazionale Maternità ed Infanzia*, during its less than four years of life, has been able to carry on a work which, without undue self-satisfaction, may truly be said to have been useful to the country.

Apart from the protection it has afforded to mothers and children, it has formulated and tackled a number of big problems, among which we may mention those bearing on the care of mothers before and after their confinement; preventive measures against tuberculosis; the land colonization problem and, lastly, the moral reform of perverted children or protection of those in danger of perversion.

There was need in Italy of a more careful safeguarding of motherhood, in the case of both married and unmarried mothers. For the married mothers there was a deficiency of maternity clinics, both in num-

ber and adequate technical and hygienic organization. The Institute started by resolutely weeding out those persons who were ill-fitted for the responsibility of directing highly specialized institutes, by demanding that only the most competent candidates should be selected in the competitions for directorship posts. It has begun to increase the number of maternity homes, establishing new ones where none were to be found and improving those already in existence; nor will it be satisfied till it has organized a maternity clinic in the principal towns of each Province, minor institutes for each of the more important provincial centres, and a sufficient number of gynecological nurses to go the rounds in the more populous districts and in the country.

The problem of the unmarried mothers has, perhaps, proved the easier to solve. This is closely bound up with another problem: that of homes for nursing infants (*Betrofti*).

Under a law passed by the Fascist Government, the National Institution provides for all unmarried mothers who recognize and nurse their children to receive a proper food subsidy during the first year of breast feeding; this «dole» is continued on a diminished scale during the two following years, while the Institution continues afterwards to keep an eye on the child. This is a law of the highest moral value, though certain incompetent and malicious persons have chosen to represent it as unduly indulgent towards the erring mothers, whereas it is, in fact, merely a recognition of the State's right to preserve and make good citizens of all the children born to it.

This provision in favour of illegitimate children – not of the unmarried mothers, who only benefit by it indirectly – straightaway diminished the high death-rate among nurselings in institutes, partly owing to the decline in the number of illegitimate infants placed therein, and also because many homes have adopted the system of taking the mothers in along with their babies to nurse them.

But the National Institution is seeking to encourage by all manner of means the establishment of so-called “maternity centres”: that is to say, institutes where expecting mothers, who wish to do so for moral or material reasons, may pass the period of their pregnancy, be confined, and remain to nurse their babies. and where the children born therein of homeless mothers may remain and be brought up. These homes should provide beds and lying-in wards also for married women who are not able to be confined in their own homes; crèches for working women's children; work-rooms for pregnant women and nursing mothers; dispensaries for hygiene propaganda among mothers and children, and, lastly, refectories for indigent expecting mothers.

These “maternity centres” will in time do away with homes for nurselings, and this will be one of the finest triumphs for the National Institution, for, bereft of their mothers, the children tend to decline and die off, in obedience to the inexorable natural law which has created

the offspring of man more fragile than that of any other species during the early struggle for life, while entrusting it to its only proper and most powerful defender: the mother.

Tangible results have been achieved in the prevention of tuberculosis among children, the modern view being that only specially equipped institutes are fit for this purpose, since special treatment is necessary to save the young who are affected by latent tuberculosis. The Opera Nazionale Maternità ed Infanzia holds in the highest esteem our Summer Holiday Colonies and recognizes their full social value; but faithful to the principle that its funds must be devoted to saving lives, it does not afford direct aid to these colonies which take children in by turns for brief periods – notwithstanding their educative and general merits – because they are not equally efficacious as a direct means of combating tuberculosis.

Being strictly limited to this object, the work of the National Institution has been directed to the development of permanent colonies: assisting those that were already doing good work, improving those that were doing less well, and opposing and getting rid of such as did not lend themselves to improvement.

As soon as the public got wind of this action in favour of “permanent colonies” – that is to say sanatoriums in which children are kept for the whole of the time necessary for their restoration to health, be it six months or a year or two or more years – an effort was made on many hands to get a number of unsuitable homes recognized as permanent prophylactic institutes. Such recognition carries with it two advantages: 1. the chance of obtaining a grant, and 2. that of obtaining from the Institution the payment of the children’s board. On this point the Institution has been uncompromising in its action, for it is determined not to recognize any ill-adapted institutes as “permanent colonies”.

It may properly be affirmed that Italy now possesses a number of prophylactic institutes deserving of the name, situated in mountain districts, at the seaside, or in the country. Not all of these are subsidized by the Institution, and none of them completely so. This is a proof of how effectively the Institution has contributed to create in the Country an understanding of the need not merely of doing something for the welfare of the young, but doing it well. Much yet remains to be accomplished in this field, but the National Institution, which is tackling the problem, will certainly not rest on its laurels till what can be done has been done.

The question of properly feeding the children is of course closely connected with that of the prevention of consumption; this is a formidable problem which the Institution has taken into consideration and is determined to settle as soon as possible.

Another question that arises is that of vaccination against tuberculosis; this is a point, however, which the Institution cannot itself take

up, except in so far as it can promote study and suggestions which are likely to contribute to the settlement of the problem. There is no doubt that defence against tuberculosis right from birth of children who are born of tuberculous parents, or who are exposed to contagion, is a problem the proper solution of which would go far towards the improvement of the race.

The third important question with which the National Institution has to deal is the "back to the land" problem.

There is no need to dwell here on the importance, both demographic and moral, to the Italian people, of a wide and effectual land settlement scheme. Everyone is aware of the desirability of repopulating the country districts, stirring up a love of country life, and preventing the over-congestion of towns, even if it proves impossible to empty these of all their superfluous population.

The task of the Opera Nazionale Maternità ed Infanzia in this field is narrowed within certain limits, but has two definite aims; on the one hand to urge institutes established in cities to remove to the country; on the other, to render the country districts inhabitable from the standpoint of social welfare, so that the population actually settled there may not wish to abandon it.

To induce institutes that are already established in towns to remove to the country is more easily said than done: firstly because it involves a general upset of interests of all kinds, an uprooting of old familiar habits and the creation of a new mentality based on new moral, political, and technical concepts. We are, indeed, engaged in a big fight here – a very battle of giants, in which the Institution is firmly resolved to win: a struggle of the present with the past, of boundless horizons with mute, grey walls, of vitiated air with oxygen – a struggle between a narrow mental outlook and the ardent spirit and prepotent desire for life of a race with thousands of years of civilization behind it.

To make the country districts inhabitable from the point of view of the care of mothers and infants, just as other State measures have rendered it inhabitable and healthy through the tenaciously applied scheme of the "*bonifica integrale*" (complete land reclamation), has been a cornerstone of the Institute's action ever since its inception; and for this reason it has created its travelling chairs of obstetrical assistance and puericulture, thank to which 1500 dispensaries to advise and assist pregnant mothers and suckling or weaned infants are already functioning in the South and in the Islands, while others are being opened every day.

Medical men who can be counted on both for their professional knowledge and their belief in the work are appointed to these travelling chairs: doctors who have specialized in puericulture and eugenetics, that is to say in the protection of both mothers and children against diseases that are likely to deteriorate or destroy them, rather than in



the treatment of diseases once they have developed; enthusiasts for the cause who fight ignorance and superstition not only by word of mouth, but also by practical example and a generous distribution of food and well known and recognized drugs to those who frequent the schools of popular hygiene.

The frozen barrier of poverty and superstition that blocked the way in many regions is being broken at many points; wider horizons are being opened up. The goal is distant and the road is long, but there is no lack of good-will and tenacity in the resolve to reach it.

It will readily be understood that the training of these "propaganda specialists" entailed the establishment of special schools both of infant welfare and of eugenetics, in the direct charge of sub-commissioners of the Institution, each of whom is specialized in his particular branch, in addition to schools for nurses, depôts for storing commodities for distribution, logistical services, and other works requisite for the proper functioning of so vast an organization.

The fourth problem tackled by the Opera Nazionale Maternità ed Infanzia is that of the succour of depraved children or those in danger owing to evil influences—a most important problem from the standpoint of the welfare and improvement of the race. The Childrens' Courts, the homes that look after children taken in charge by the police, the home for the care of minors who are awaiting trial in the special Courts, the maternity homes established in womens' prisons, the study of legislative provisions to diminish delinquency among children; special dispensaries for morally tainted children, who are such a formidable factor in the degeneration of a people, are but so many facets of the many-sided problem of the moral regeneration of the young which the Institute has undertaken.

Before closing, we will allow figures to have their say in the matter, for the language of numbers is not always arid reading.

The Members of the "Opera Nazionale," that is to say those persons who, without having any appointment or office under it, adhere actively to the ideas for which it stands, by now number 7,000. There are fully 1000 institutes subject to medical or administrative inspection, and over 1500 permanent consulting dispensaries, or dispensaries connected with the travelling Chairs of Puericulture, established by the Institution. Over half a million women and children received during last year assistance from the 1st January to the beginning of 1931. All of them receive food and medicines. A number of canteens have been opened for poor mothers, where pregnant women are provided with suitable food. It is estimated that from the 1st January to the beginning of this year 32,000 mothers have partaken of meals there. Over 3,000 mothers have been repatriated from abroad to be confined in Italy at the expense of the Opera Nazionale Maternità ed Infanzia and the Ministry of Foreign Affairs. More than 27,000 children have been

taken care of either in their homes or in the several institutes under the National Organization. Over 8,000 children have been treated for the prevention of consumption and housed for the purpose in permanent homes.

In the aggregate, no fewer than 462,468 persons benefited by the general assistance afforded by the Italian National Institute for Mothers' and Infants' Welfare during 1928 and the first eight months of 1929.

# ORGANIZATION AND DEVELOPMENT OF THE NATIONAL "DOPOLAVORO" INSTITUTION.

*by the Direction of the Institute.*

The vast organization commonly known under the name of *Dopolavoro* (Leisure time) which promotes schemes for the better employment of the free time of workers of all classes, with the object of raising their intellectual, moral, physical and social status in accordance with the policy of enhancing national values promoted by Fascism, has assumed such proportions, especially recently, under the auspices of the General Secretary of the P.N.F., that it may be considered as one of the most characteristic achievements of the Fascist revolution. The following notes give a brief summary of the history, organization and functioning of this institution, founded by Signor Mussolini.

The Dopolavoro passed through several phases before reaching its present organization. These may be divided into three different periods: in the first phase, it was an attempt due to private initiative; in the second, it was affiliated to the National Confederation of Fascist Syndicates; and in the third it assumed a State controlled and national character.

The first period dates from 1919 to the end of 1923.

The Dopolavoro Office proposed in the beginning to carry out a work of propaganda, advice and assistance, with the object of encouraging employers' welfare schemes on behalf of their workers and also of promoting the spread of higher general education and of sport among the people.

When the National Confederation of Fascist Syndicates, with a view to the moral uplift of the masses, as understood by Fascism, added educational propaganda to its regular tasks, the Dopolavoro Office became its mouthpiece. It was then that the first lines of the movement began to be laid down, although in very rudimentary form, for it was impossible to attract those who were not connected with the syndicalist federations into the orbit of the institution.

With the creation of the *Opera nazionale Dopolavoro* (National Leisure-time Organization) by Act of Parliament on May 1, 1925, and the acceptance of its presidency by H. R. H. the Duke of Aosta, the Dopolavoro organization began to take definite form; its new status entitled it to federate thousands of clubs, societies, sporting, educational and artistic groups, and enabled it to extend its efforts into the ranks of the great State services by means of organizations in aid of railway and postal employees and those of the Tobacco Monopoly, in accordance with the Royal Decrees of October 25, 1925, July 9, 1926 and May 18, 1927.

The Secretary of the National Fascist Party, who took over the

supreme direction of the organization after the resignation of the Duke of Aosta, has reorganized the entire administration of the Dopolavoro, as well as its programme, giving it an organic structure more in accordance with the aims and methods of the National Fascist Party. And on September 14, 1929, the work was officially recognized as a distinctively Fascist institution at the five-yearly Fascist Assembly, and included among the Government schemes.

The Leisure-time movement, as developed during recent years in Italy, has much in common with the welfare work in Anglo-Saxon countries, which embrace all the efforts of the great firms for the assistance and future provision of their employees; and has also several points of analogy with other great organizations, such as the Y.M.C.A., the Playground and Recreation Association of America, the Carnegie United Kingdom Trust, the National Education Association of the United Kingdom, the *Commission centrale des Loisirs des Ouvriers de l'Hainault* of Belgium, and other foreign organizations and associations that promote libraries, culture and artistic education for adults, sport, popular tours, and so on. In addition to these characteristics, however, the Italian movement has intrinsic features of its own which differentiate it from all organizations of the kind.

The Dopolavoro is a public institution which, by its technical, organizing and directive functions is able to deal directly with the problems of welfare, education and recreation of the working classes. Whereas in other countries – including those that have reached the highest degree of material civilization – the solution of the various problems of instruction, physical education, and the various forms of social aid for the working classes is left to private initiative, in Italy alone, thanks to the enterprising spirit of Fascism, these tasks have become an integral part of the State's activities, and in this field also the State asserts its position as the controlling force of the nation.

The execution of such a vast programme inevitably necessitates a very complicated administrative and technical organization.

The centre of the organization is the Secretary of the National Fascist Party, who is now represented by an Extraordinary Commissioner; immediately subordinate to him is the central direction, which acts as an executive body. The various sections: accountancy, bookkeeping, preparation of balance-sheets, co-ordination of internal services, registration, archives, distribution of membership cards and collection of dues, are entrusted to the administrative, secretarial and registration departments. There are also technical departments to draw up programmes for the different branches of the O.N.D.'s activities and the execution of all the work of propaganda and organization.

Special technical commissions, composed of specialists in the various

branches – sport, trade instruction, popular culture, philodramatic societies, music etc. – assist the central direction and its subordinate offices in preparing and carrying out programmes. The Inspection Office supervises the provincial organizations. The above are the principal departments working from the centre.

The provincial Dopolavoro sections deal with the propaganda and organization of the movement in the several provinces. Works and services of common interest are arranged through their means: competitions, lecture circuits, sporting matches; the distribution of membership cards and of propaganda material and films to local Dopolavoro clubs and affiliated associations. The provincial Dopolavoro offices are presided over by the provincial secretaries of the P.N.F., assisted by a competent director and by technical commissions.

In each locality the Dopolavoro organization is represented by its local club – a meeting place founded by the O.N.D. to enable the workers to benefit by and take part in such recreational, artistic, sporting and like events and excursions, as the possibilities and specific requirements of the district permit. A number of other institutions are annexed to the Dopolavoro Institution: clubs, societies, and groups of associated workers belonging to different workshops, etc.

The programme of the O.N.D. is divided into four great sections: *Instruction* (culture for the people and the teaching of trades); *Artistic education* (dramatic societies, music and chorus singing, kinematography, wireless, folklore); *Physical education* (Italian Excursion Federation and Central Sporting Commission); *Social welfare and hygiene* (dwellings, hygiene, provision for the future, leisure-time occupation for the various classes of workmen).

It will probably be of more interest to give a brief summary of the more important works, rather than a detailed explanation of the various services that correspond with the several branches of the above programme and with their many ramifications.

Extensive arrangements have been made in all the local Dopolavoro offices and societies federated to the O.N.D. for the higher education of the people; and the same measures have been taken in numberless industrial concerns, in the offices of the Railway Dopolavoro and those of the Postal Service and Tobacco Monopoly: libraries, reading rooms, evening instruction courses, lectures with lantern slides or kinematograph films, people's universities. The general management supports and subsidizes these undertakings, supervising them with a view to their co-ordination and consistent purpose. The Dopolavoro makes considerable use of the educational kinema, availing itself for the purpose of the L.U.C.E. Institute's films and those of the Collection of the Rome Governorship. It was the first to organize open-air kinemas in Italy. The O.N.D.'s programme of popular instruction has the approval and constant

support of the Ministry of National Education. A measure has been passed providing that elementary and intermediary teachers who give their work for the benefit of the Dopolavoro's higher education for the people shall be entitled to a special order of merit, which will have preference over other documents in competitions and examinations for promotion. The National Institute also interests itself in promoting and assisting evening and Sunday vocational schools and courses in technical improvement.

In this important field, which is the index to the civilization of a country, out of the 1437 institutions controlled by the Dopolavoro in 1926, only 87 were promoting sections for higher education, folklore, and trade teaching, the number of such sections being 1249 altogether. In 1930, the number of institutions controlled had increased to 14,027, and of this number 5225 had promoted no less than 78,744 sections in the above mentioned branches. The Dopolavoro had 178 libraries open to its members in 1926, while in 1930 the number had increased to 2,388.

The Institution is endeavouring to encourage the revival of the *filodrammatiche* by every means in its power: propaganda, theatrical schools, dramatic publications, artistic shows, the touring "Cars of Thespis", tours in the provinces; provincial, regional and national societies, reduced author's rights, and other forms of encouragement.

In the realm of sport a vast, fertile, and original work is being carried on. A truly imposing number of young men and women now go in for athletics and are being trained in all the soundest forms of sporting exercise, from gymnastics to fencing, swimming, rowing, cycling, running, and so on.

The Italian Excursion Federation has grouped together hundreds of sporting, alpine and excursion institutions, promoting very extensive patriotic pilgrimages to the battlefields and cemeteries of the war, joint tours of pleasure and instruction, and Sunday cruises and excursions, in which thousands and thousands of authentic workers have taken part. The institutions affiliated to the Dopolavoro have increased the 2538 sports and excursion sections that existed in 1926 to the very big number of 115,676 in 1930.

The Institution promotes exhibitions, matches, and competitions for the benefit of the «welfare» section and carries out an important work of propaganda and organization.

In 1927, the O.N.D., in collaboration with the "Ente Nazionale delle piccole industrie" (National organization of small industries) got up the exhibition of the "Three Venetias" for economic housefurnishing. They also arranged two other great competitions, in 1928, for the economic and rational furnishing and fitting out of the home, the competitions being held in every part of Italy. They constitute the biggest and most organic experiment of the kind that has yet been attempted anywhere.

Research and studies, popular campaigns and practical courses are

now being organized to encourage the cultivation of allotments and kitchen gardens. After taking part in the International Congress for the organization of kitchen-gardens, which was held at Luxembourg in June, 1927, the Dopolavoro has been endeavouring to unite together the manifold but disconnected efforts being made in outlying districts and by various local societies into a national organization.

In addition to the O.N.D.'s part in creating new hygienic conditions of life for the working classes: improved dwelling houses, kitchen gardens and flower gardens, factory restaurants, depôts for the sale of food-stuffs, small-loan banks, etc; the institution concerns itself with hygienic propaganda, collaborating, by its publications and lectures, in the campaigns against tuberculosis and cancer and drink, in the anti-malaria crusade, the propaganda for seaside hospices, alpine colonies and sanatoriums.

The progress of the Dopolavoro organization may be realized from the following figures concerning membership cards. In 1926, the O.N.D. controlled 1497 institutions with a total membership of 280,584; in 1929, the number of institutions controlled was 11,084 and the number of members 1,445,226. The table published below, however, will be more eloquent than any verbal testimony.

DISTRIBUTION BY REGIONS OF THE MEMBERS OF THE  
« OPERA NAZIONALE DOPOLAVORO »

Region	Number of Members				
	1926	1927	1928	1929	1930
Piedmont . . . . .	73.984	118.362	146.775	229.507	252.964
Liguria . . . . .	15.043	24.286	48.907	79.380	85.322
Lombardy . . . . .	60.027	131.228	171.264	266.521	302.629
Venetia Tridentina . . . . .	2.605	4.667	16.304	25.314	27.848
Venetia . . . . .	20.099	38.553	78.491	96.636	130.730
Julian Venetia . . . . .	8.692	16.245	28.802	39.093	49.751
Emilia . . . . .	13.686	28.066	43.854	92.871	94.673
Tuscany . . . . .	21.877	48.290	66.079	104.893	132.906
Marches . . . . .	4.952	11.136	10.958	31.106	38.152
Umbria . . . . .	2.163	5.747	15.547	23.993	26.878
Latium . . . . .	25.327	44.017	76.427	83.820	108.606
Abruzzi and Molise . . . . .	555	1.126	14.071	21.390	23.031
Campania . . . . .	11.166	21.750	67.165	98.934	123.696
Apulia . . . . .	6.615	12.674	30.295	51.254	39.231
Basilicata . . . . .	—	188	3.883	5.862	7.954
Calabria . . . . .	3.007	6.353	15.182	33.360	41.706
Sicily . . . . .	10.786	21,253	40.889	100.180	98.772
Sardinia . . . . .	—	4.396	7.696	11.112	20.691
Colonies . . . . .	—	—	—	—	600
Abroad . . . . .	—	—	—	50.000	25.000
Grand Total	280,584	538,337	882,589	1,445,226	1,622,140

If such satisfactory results have been obtained already in the short existence of the institution – six years – it is mainly due to the fact that the heads of the Dopolavoro have always put into practice the fundamental principle of Fascist education, which consists in working with purpose, method and order. Before the advent of Fascism, people here were forever talking of social reforms, everyone was posing as apostle of the workers' redemption, but it all ended in words, for nothing practical was ever accomplished. To-day, little is said, but much is done. Improved organizations, better equipment, a broadening of functions, the growing number of members are all so many signs of the vitality of this work, which Fascism ranks among its finest achievements.



# THE ANTI-TUBERCULOSIS CAMPAIGN

*by the Health Authorities.*

The earliest efforts to promote institutions to fight tuberculosis in Italy were due to voluntary co-operation, the moneys collected by propaganda, and the initiatives of hospitals. The organization created by these means was necessarily incomplete and subordinate to the existence of the enterprises forming it, nor was it always proportionate to the local needs of the population requiring assistance or the general requirements of the Nation. Not until 1914 were the first modest appropriations written in the budget of the Ministry of the Interior in favour of the campaign against tuberculosis.

The close of the war and the victory of Italian arms was, however, the signal for the Nation to face boldly the most serious problems of civil life, and among these problems tuberculosis loomed large. Some ten thousand consumptives were returned by our enemies to the Mother Country – the wreckage of the prisoner concentration camps; others were stricken by the disease in our own ranks, and the necessity of coming to their succour was responsible for the first government measures taken in 1917 and for the efforts made by the mobilized army to set aside and specialize certain military hospitals to receive and treat the invalids. In 1919 a Decree Law enacted the measure authorizing the institution of competitions between the different provinces, communes, etc., for the establishment of dispensaries and hospitals to combat the disease.

The Italian Red Cross was in the vanguard of the early organization; its war service being over, it kept on and supplemented its anti-tuberculosis organizations and opened them to the civil population. It organized model dispensaries and preventive work, accumulating much valuable experience from the daily practice of these services and calling the attention of the public to the crying need for help by its untiring efforts and the prestige of its name.

Nor should we forget the support and stimulus lent to the campaign by voluntary associations, responsible for the creation of some of the oldest anti-tuberculosis organizations, and later on united in the National Fascist Federation for the Campaign against Tuberculosis, which took over and voluntarily carries on the task of popularizing at home and abroad the Government's policy for combating the scourge.

On coming into power, the Fascist Government took the view that the campaign against tuberculosis could not be carried on adequately by voluntary effort alone. Voluntary effort is, indeed, indispensable; for no great initiative of social assistance can attain its ends unless the work of the government is enthusiastically supported by the population. But so grave a disease and one so widespread as tuberculosis, which attacks the population from generation to generation at the very age when it is starting to work and entering on military service, calls for a united plan of

action, laid down by the government and equally efficient in all parts of the country and among all groups of the population; a plan proportionate to the supreme need of safeguarding the nation's health, its greatest and most precious possession.

Thus, from the moment that the Duce took the helm of state, a whole chainwork of provisions was gradually forged, from the Act of the 31st December, 1923, amending the laws on Public Health and enabling the Prefects to order the constitution of anti-tuberculosis associations in their respective Provinces, to the Act of the 23rd June, 1927, rendering compulsory the establishment of such associations in each of the several provinces of the Realm; and the Act of the 2nd May 1928 making insurance against tuberculosis compulsory – to mention only the basic measures that aim at fighting the disease directly.

The Act of the 23rd June 1927 forms the framework of the organization by combining in an obligatory Association for each Province: the Provincial Administration, the Communes forming it, and all institutions interested in the anti-tuberculosis campaign within the Province; while allowing any voluntary organizations formed for kindred purposes to join the Association at their own discretion. The Association is a centre of enterprise, co-ordination and discipline, vested by law with the requisite powers to unite into one body all the anti-tuberculosis efforts of the Province and thus effectively carry out all the functions of prophylaxis and treatment requisite for the defence of the population. For these purposes the Act allocates to the Associations an income of their own in the form of a communal *per capita* contribution, amounting in certain provinces to over one lira per inhabitant-year; to this is added a contribution from the province on the basis of a yearly lump sum equivalent, in several provinces, to the total amount contributed by the communes forming it. To the above are added the contributions of the other associated organs. To give a complete notion of what Italy is doing to fight consumption, we must add to the budgets of the associations all the incomes which each of the several hospitals or preventive sanatoriums devote on their own account to the work – amounts largely formed by donations and legacies.

The function of the Associations can be properly appreciated only when viewed as part of the general anatomy of the State's health services. The Health Authority of the Province is the Prefect, assisted by the provincial medical officer and the Provincial Board of Health, while the Association – which the law has seen fit to place under the personal guidance of the Prefect, so as to enhance its importance and authority – acts as the executive organ in the campaign. The nature of the contagion and its social consequences account for the complex nature of the organization, which looks to the Association for direction in its big task of social medicine, for which the State is responsible.

One feature of some of these defence organizations, which vary according to the nature and the stage of the disease from simple anti-tuberculo-

sis dispensaries to big sanatoriums, is regarded as of particular importance; namely the creation and upkeep of a number of hospital beds for the treatment and cure of adult patients: treatment and recovery rendered possible in at least one third of the cases by the advance of medical knowledge and *collassoterapia* (treatment of collapse), Dr. Forlanini's brilliant discovery. It is a principle of the National Government that cure being possible, it must be made available to all citizens. And since the cost of treatment is considerable, and beyond the means of ordinary wage-earners, each workman is required to set aside a small fraction of his monthly earnings in order to form a fund sufficient to come to his assistance and that of his family should they fall victims to the disease. All for each and each for all; the solidarity of all the citizens for the common weal: on this principle was framed the scheme for the compulsory insurance against tuberculosis foreseen by the Duce in Art. XXVII of the Labour Charter. For the present the scheme embraces all workers in concerns that pay only a low level of daily or monthly wages; but the obvious benefits it is bound to yield will certainly make it necessary to extend it to other categories of workers. The benefits of the insurance scheme naturally relieve the burden falling on the Associations and this necessitates agreements, now in course of being framed, to systemize, province by province, the execution of the hospital in-patient arrangements made to meet the needs of the population. Insurance has been centralized with the Cassa Nazionale per le Assicurazioni Sociali (1), being combined with insurance against disablement and old age; in this manner and without extra expenditure recourse was had to an organism already in being and functioning through the collection and administration of the large funds accruing to it. At the same time, it found in the Cassa Nazionale a directing body, trained and specialized in the wise use of its resources according to a uniform plan throughout Italy, saving, of course, exceptional needs peculiar to certain regions. This has avoided a deal of waste, which would inevitably have resulted under a different system from the dispersal of insurance premiums.

An action that does great credit to Italian industry was that of the General Confederation of Industries in collecting funds to set up the Benito Mussolini Institute in Rome, a clinic for diseases of the respiratory organs, that carries on scientific and medical research and observation, as well as preparing the cadres of the forces of the great social crusade. The technical directions of the associations, directions of anti-tubercular dispensaries, hospital services and prophylaxis services require a large number of specialized medical staff and auxiliary staff, the training of which will be one of the outstanding achievements of the Benito Mussolini Institute. If the liberality of our manufacturers who founded the Institute be maintained at a level sufficient to allow it to carry on also the work

(1) Vide the account of this Institution on pp. 258-261.

of research for the advance of knowledge regarding epidemiology and the treatment of tuberculosis, this Institute will meet a great national need, and fill an important place in the complex system directed and developed by the higher Health Authorities.

The prevention of tuberculosis, when contagion has already taken place, is a problem that presents itself more particularly in infancy and childhood. For this reason the Opera Nazionale per la Maternità e l'Infanzia, another characteristic creation of the Regime, has entered the lists in the anti-tuberculosis campaign. This organization devotes its efforts more especially to the care of children of tuberculous parents or children who have lived together with persons affected by the disease and show symptoms of disturbed development in consequence of tubercular infection contracted. Experience proves that cures can be effected in almost one hundred per cent of the cases treated and that the recovery is lasting and sufficient to allow the child to contribute later on his share to society. Certain preventive sanatoriums of this type already existed in Italy, set up by local bodies and by the Italian Red Cross. The work of a great national organization such as the Institute for the care of Mothers and Infants will be able to direct them towards unified action and add enormously to their efficiency.

After giving the initial impetus to the work by organizing anti-tubercular centres during the war, it has, since 1917, kept going a big sea-side Sanatorium, organized sea-side colonies to build up the health of delicate young recruits, symptoms of poor health being so often due to latent or declared tuberculous infection. The National Militia for Public Safety affords like help to young officers and soldiers suffering from tubercular lesions and to youths of pre-military age registered for enrolment who show symptoms of feeble health. The Opera Nazionale Balilla acts on similar lines both by looking after the general well-being of healthy children of school age and by tending the health of sickly and ill-developed children. Under this system the State keeps a vigilant eye on the young generation of military age and those who will soon attain it and holds out a helping hand to them.

The Opera Nazionale per gli Invalidi di Guerra (National Institute for Disabled Ex-Service Men) assists among others 21,900 tuberculous patients, recognized as affected during the war or immediately afterwards. Among these are a number of men who formed part of the Austro-Hungarian Army and are now Italian citizens: charity makes no distinctions in the face of misfortune. The National War Orphans' Fund devotes its care and preventive efforts to the children of men killed in the war, thus fulfilling the duties of the new generation towards those who fell on the field of honour to uphold the Italian Flag.

We must also recall the deserving initiatives of hospital organizations, those of big industrial concerns such as the Fiat, and private munificence, which have vied with one another in organizing anti-tuberculosis efforts

to complete the big plan of defence set in motion by the Duce's inspiring words.

The big share of tuberculosis in the Italian death rate is shown by the following data relating to 1926:

TOTAL NUMBER OF DEATHS . . . . .	683,307
from Diseases of the heart & pericardium . . . . .	76,944 = 11.30 %
» Diarrhea & enteritis under 2 years . . . . .	67,724 = 9.94 %
» Acute Bronco-pneumonia, including infantile forms . . . . .	67,093 = 9.86 %
» Senile decay . . . . .	60,709 = 8.79 %
» Consumption of respiratory organs 42,779 = 6.3 %	) . . . . . 57,879 = 8.53 %
» Other forms of Tuberculosis . . . . . 15,100 = 2.22 %	
» Apoplexy, thrombosis, softening of the brain . . . . .	44,080 = 6.48 %
Total of deaths from small-pox, measles, scarlet fever, typhoid, meningitis, diphtheria, pertusis, influenza . . . . .	37,371 = 5.69 %

Now, however, the war on tuberculosis is being waged on all fronts and important results are already recorded. Italy at present occupies the ninth place in the scale of mortality. If Australia and the United States were left out of count she would be seventh.

The progressive increase of the receipts of the Provincial Anti-tuberculosis Associations, of those from insurance against tuberculosis through the medium of the National Social Insurance Bank, and all the anti-tuberculosis measures taken in the Army and Voluntary Militia for National Safety through the National Institute for War Disabled, for War Orphans, and the National Institute for Mothers and Infants, as well as the splendid and far-reaching work of the Italian Red Cross, justify the confidence that Italy's position in this uninvincible scale will decline.

A succinct idea of the range of Italy's energetic work is afforded by the following aggregate figures, referring to 1928.

In that year there were 242 anti-tuberculosis dispensaries scattered throughout the Kingdom under the control of the Provincial Associations.

There were 37 sanatoriums, with 2891 beds, and during the year they accommodated 7251 patients.

Hospitals for consumptives and general hospitals containing special wards for tuberculous patients numbered 183 in 1928, with 9867 beds; they accommodated 28,712 patients. There were 35 hospitals for the surgical treatment of tuberculosis, including special wards for this purpose, numbering altogether 5040 beds: 21,200 patients needing such treatment were taken in.

In the aggregate, Italy in 1928 disposed of 255 institutes, between hospitals and sanatoriums, with a total of 17,795 beds and a movement of 57,163 cases.

In the same year, preventive institutes throughout the Kingdom numbered 68, with 5,193 beds, and took in 13,673 patients.

Anti-tuberculosis organization throughout Italy, considered as a concerted plan of action directed by the state, is still in its infancy, having

hardly completed its second year, but by gathering together the scattered forces already in action, organizing them into a definite system and getting them into proper working order, it succeeded in 1928 in treating, by way of prophylaxis and cure, 65,000 in-patients in hospitals and sanatoriums. At that date the compulsory insurance scheme and the Mothers' and Infants' organization were not yet functioning.

The data for 1929, now being collected and compiled and not yet complete, are sufficient to enable us to state that the funds devoted to the purpose during that year amounted to two hundred million lire and the cases dealt with to about one hundred thousand. The figures mount up steadily as the work proceeds and its services are organized. We must further add to them the figures for out-patient treatment and the treatment of patients received in day-sanatoriums, sun-bath stations, and specialized open-air schools. All of these organizations, to whomsoever their foundation may be due, and whoever may immediately direct or control them, centre round the great central organisms, the lines of which are laid down by the highest Health Authority in the Kingdom, the Ministry of the Interior. This ensures perfect co-ordination of action, without any dispersion of energies, interference, uncertainty, or contradictions injurious to the efficiency of the work.

# FASCIST FINANCE

by ANTONIO MOSCONI, *Minister of Finance.*

( With regard to finance, the action of the Fascist Government during the above mentioned period has particularly aimed at the following ends:

- a) The settlement of War Debts;
- b) The settlement of the Floating Debt;
- c) The revaluation of the currency;
- d) The amortization of the National Debt;
- e) The balancing of the State Budget;
- f) The gradual reduction of the burden of taxation;
- g) Various provisions to promote the economic development of the Nation.

THE SETTLEMENT OF WAR DEBTS. — Owing to the War, Italy has had to bear huge financial burdens. To meet these, the resources of the country were drawn upon through taxes and loans and only to a limited extent have England and the United States helped by the granting of cash credits.

Taking into account the total amount of interest due, the debt with England at the beginning of 1926 reached about 612 million pounds sterling, and towards the U. S. A. it amounted to about 2,042 million dollars.

By the Washington Agreement of the 14th November 1925, Italy undertook to re-pay to the U. S. A. this debt in sixty-two progressive annual instalments with an average interest of 0.42 %; while by the London Agreement of the 27th January 1926 she undertook to pay England 277 million pounds sterling, inclusive of interest, in 62 years. The British Government restores by annual amounts the Italian gold held in London.

Italy undertook to pay the annual instalments fixed by the two Agreements above-mentioned, drawing on the amount that is due to her by way of war reparations estimated at a figures equal to the above. A special bank with an autonomous management was established and entrusted with the business of receiving the German reparations and paying the debts, keeping the two items closely correlated.

This relation has now been fully confirmed in the Young Plan and in successive agreements concluded at the two International Conferences recently held at the Hague.

On this basis Italy will receive from the annual instalments from Germany a quota sufficient to pay her own war debts, and, further, an unrestricted quota of 427 million (gold) marks for 37 years, a just and very moderate contribution towards the heavy burdens that the nation has had to, and must yet bear, independently of actual war expenses:

pensions, and compensation for damages connected with the war. This extra expenditure can be met by means of loans either at home or abroad.

A very important operation in this regard has been effected by the issue of 5  $\frac{1}{2}$  % Bonds from which Italy has obtained about 250 million lire.

By the Hague agreements Italy has effectively helped in the settlement of Eastern Reparations, strengthening her good relations with Hungary, Austria, Bulgaria, Rumania, and Greece.

A place of the highest importance has properly been assigned to us in the International Bank which, besides facilitating the application of the Young Plan, will be able to do a useful work of co-ordination between the central banks of the different countries.

**THE SETTLEMENT OF THE TREASURY FLOATING DEBT.** - During and immediately after the war, the issue of ordinary Bills (Bonds) had increased to more than 25 milliards in 1922, reduced subsequently to about 18 milliards in June 1926. To these obligations were added those of the five year, seven year, and nine year Treasury Bonds to the amount of a further 12 milliards, some at very short periods, and these of course aggravated the situation.

The arrangement or settlement of such a heavy short term floating debt was a fundamental and urgent necessity for the financial recovery of the country.

It was absolutely necessary to consolidate these liabilities, seeing that it was a question of definitive fiscal requirements, and not simply of a transitory need of the Treasury. To this end it was provided that the Bonds should be converted into certificates in a new National Loan, the "Littorio". This conversion compulsory for the ordinary, five year, and seven year bonds, was left to the discretion of holders and later suspended in regard to the nine year bonds. It took effect on the basis of 87.50, and assured to the bearers a small premium at the time it took effect and an increase of interest. The new bonds were also offered at the same price for public subscription, and received large support both in the country and abroad.

**THE RECOVERY OF THE CURRENCY.** - In order to arrange the conditions necessary for the recovery of the currency, as early as May 1926 it was decided to unify the issue of bank notes, making the Bank of Italy the sole issuing bank. The Bank of Naples and the Bank of Sicily, exempted from this service, attained greater importance as commercial institutes of credit in the development of the vast and intensive financial and economic work, especially in the southern provinces and Islands.

After the issue of bank notes had been unified, it was decided to



withdraw and cancel the 25 lire notes, to issue silver coins in place of the other bank notes, and to strengthen the Bank of Italy's reserves by means of the money derived from the Morgan loan, which enabled a reduction amounting to 3 ½ milliards of the state debt towards the banks of issue. It was further decided to unify the circulation and to separate the management pertaining to special subsidies rendered necessary for the settlement of difficult situations of banks, a settlement which has already yielded very noteworthy results that will permit it to be concluded definitely at no very distant date.

In the meantime a wise policy was pursued to regulate the influx of foreign capital into Italy, securing it on favourable terms and for productive works, that is to say, on conditions such as to yield good results in regard to the balance of payments.

The crowning of this vast plan was the stabilization by law of the lira and the cessation of forced currency sanctioned by decree-law of the 21st December 1927.

The new parity of the lira was fixed on the basis of 7.919 grammes fine gold for every 100 lire, that is to say, 19 lire to the dollar, 92.46 to the pound sterling, and 3.66 to the pre-war gold franc. The Bank of Italy was instructed to exchange at its Head Office in Rome the respective bank notes on presentation into gold, and, if so required, into foreign bills convertible in gold.)

The excess value of the gold reserves and foreign bills resulting from the revaluation were assigned to the complete settlement of the advances received by the State in bank notes and other items pending between the State and the Bank of Issue.

The decree-law of the 21st December 1927 further made it compulsory for the Bank of Italy to keep a reserve in gold or in foreign bills not below 40 % of the face value of the notes in circulation and its other obligations at sight.

In February and June 1928 further regulations were approved which gave complete settlement to this important matter also in regard to relations between the Issue Department and the State.

Pursuing its action of monetary and financial adjustment, the Government abolished the restrictions of the previous years relating to the freedom of exchanges, taking into consideration the favourable influence the reform of the currency had produced on the movement of the exchanges themselves and on the reserves of the Issue Department. Even during the great financial crisis in foreign countries, the lira has given sound proof of stability, not changing from the gold point and showing less fluctuation than the pound sterling, the mark, and other gold standards. The Government control over increases of capital and over the constitution of limited companies was likewise abolished, for, once the currency was stabilized, it became merely a vexatious and useless interference.

AMORTIZATION OF PUBLIC DEBTS. — To face the problem of the progressive reduction of the Public Debt the following conditions were first necessary:

a) the finances of the State had to be placed on a solid basis and the conditions of the budget be able to assure a margin to be applied to amortization;

b) the settlement of Inter-Ally War Debts;

c) the adjustment of the floating debt to render stable the position of the Treasury;

d) and, lastly, the stabilization of the national currency.

All these conditions were verified in 1927, and by Royal Decree-Law of the 5th August of that year the Fund for the amortization of the internal public debt was established; to this fund were assigned, as a beginning, the surplus of the budget for the financial years 1924-25, 1925-26, and 1926-27, and also other amounts rendered available through being no longer required for their original purpose.

The Fund's annual resources were made up principally of the annual surplus of the budget besides other proceeds and the gradual accumulation of interest on securities acquired by this department.

By a separate decree the Amortization Fund was co-ordinated with the National Trust for the amortization of the public debt, an association started through the initiative of the citizens for the same purpose in 1866.

By decree dated 28th April 1930 the government vested the Fund with wider administrative freedom and substituted for the annual surplus of the budget the transfer of the greater part of the proceeds from tobacco accruing from increased taxation as from the above mentioned date and up to 500 millions annually. To this effect 12 % of the total monthly proceeds was transferred to the respective current account instituted with the Bank of Italy. In this manner means were gradually made available, in place of the system founded on the accumulation of compound interest, except for the part relating to the funds proceeding from the National Trust in accordance with the statutory rules of the Trust itself.

This new system, besides contributing to the regular service of public debt stock, ensured a gradual benefit to the Treasury through the interest allowed.

As additional income there was maintained in favour of the Sinking Fund the transfer of capital and interest of prescribed state securities, the amount of the prescribed notes in debit of the State and of the Banks of Naples and Sicily, as also the sums received by the State:

1st. for interest and amortization of loans granted to state approved concerns, to industrial undertakings affecting national defence, and to industries of Julian Venetia;

2nd. as payments from foreign governments for goods etc.

This bank further took over the funds available from the management of checking and compensation offices, and the department of amortization of foreign debts.

THE ADMINISTRATION OF THE BUDGET. — From the time that the Fascist Party took over the government of the Country, great care was devoted to the adjustment of the Budget, and by strict curtailment of expenditure and a fair increase of receipts the deficit, which had reached a high figure, has been eliminated, and from 1924-25 a considerable surplus has resulted. This result has been achieved and maintained by the most strenuous effort.

The needs of a country with an increasing population like Italy are vast and complex, while the economic resources are slender, notwithstanding the tenacious working power of the people and the encouragement given by the Government to increase productive activity in all its forms. The difficulties that had to be overcome during the period under review were chiefly due to the necessity of facing:

a) greater burdens for interest, depending on the consolidation of the floating debt;

b) reduced receipts, caused by difficulties arising also from the general European and world situation of industrial and commercial business;

c) the gradual suppression of surplus wartime taxation;

d) dwindled receipts due to certain taxes being reduced so as to stimulate business and facilitate the lowering of prices to correspond to the new adjustment of the currency, as illustrated more fully in the following paragraphs.

It was also necessary to provide, though with stricter limitations, for rebuilding up stocks of military material not replaced immediately after the war because of insuperable financial straits; for the execution of public works, and the development of agriculture through land reclamation and agrarian improvements.

These necessities have been met, above all, by applying taxes more rigorously as step by step it became possible to reduce the high rates. It must be remembered that in order to obtain promptly bigger receipts to meet the heavy requirements consequent on the war, it was absolutely necessary to raise the taxes to such an extent that in many cases this caused a considerable cutting down of estates and incomes. This high rate of taxation has been rectified in the work of reconstruction by bringing the fiscal system to a more normal standard; but, on the other hand, assessment has been made more severe, and under the law recently approved, severe penalties have been fixed to prevent evasion; among other things persons who do not fulfil their obligations in regard to taxation being now liable to be suspended from the exercise of their profession.

Furthermore, an increasing return has been obtained from the duties levied on luxury articles, such as tobacco, wine and spirits, on which the rates have been progressively increased. In 1928 this was done in order to procure the means necessary to give a greater impetus to the policy of public works. Taxes of a social character have also been instituted, such as the tax on bachelors, which aims at providing the means for infant welfare and maternity benefits.

Lastly, provision has been made for the adjustment of the tax on trade and succession duty, regulated in such a manner as not to hinder the development of the productive forces of the nation.

In regard to expenditure, while meeting the absolutely necessary demands mentioned above, a firm and strict watch has resulted in lessening assessments when possible and preventing an increase where it has not been found possible actually to reduce these. Since the revaluation of the lira, special provisions have been adopted, and a very careful revision of the estimates of the budget, bringing about a reduction totalling about one milliard lire. A saving has in particular been made in the expense of the civil service, forbidding new charges to be made for the period of four years beginning from August 1926, while reducing, and even suppressing altogether in the higher grades, the bonus to meet the higher cost of living.

The results obtained are summarized in the following statement, which shows the receipts and the expenditure of the budget in each financial year and the consequent increase or decrease:

Financial Year	Actual Receipts	Actual Expenditure	Increase or Decrease
<i>(Millions of lire)</i>			
1919-20	14,202.-	21,141.7	— 7,939.7
1920-21	17,392.3	34,805.9	— 17,413.6
1921-22	18,167.7	34,320.7	— 16,153.-
1922-23	17,166.7	20,575.7	— 3,409.-
1923-24	19,027.5	19,853.2	— 825.7
1924-25	18,753.1	18,585.4	+ 167.7
1925-26	20,126.-	19,901.7	+ 224.3
1926-27	20,542.8	20,107.1	+ 435.7
1927-28	19,257.9	18,760.6	+ 497.3
1928-29	20,200.8	19,645.7	+ 555.1

*Note.* — In the above figures for 1919-20 to 1925-26 there have been included the expenses in connection with railroads, which were entered separately in the budgets of those years, while from 1926-27 onwards they were included in the central expenditure. For the same reason both the receipts and expenses of the Postal, Telegraph, Telephone, and Monopolies Departments have been eliminated for the period prior to their being constituted autonomous concerns, that is to say, up to the year 1924-25 for the receipts and to 1927-28 for the expenses; thus

only the net proceeds now incorporated in the State budget are taken into account.

Lastly, mention must be made of the law of the 9th December 1928 which has produced considerable modifications in the book-keeping system of the State, simplifying financial documents and approximating the results of the Budget department to those of cash accounts and rendering clearer the computation of balances.

MEASURES IN REGARD TO TAXATION. — In September 1926, after having in the previous years taken bold measures to get rid of all the superfluities of war finance and brought back the system of taxation to a simple and strictly scientific basis, the Regime again took up the examination of the problem relating to the lightening of the burden of taxation.

( By Royal Decree-Law of the 20th September 1926, No. 1643, among other measures relief from the agricultural land tax was granted in the case of damage caused by atmospheric conditions.)

In order better to equalise the burden of the land tax a considerable impetus was given at this period to the work of compiling the new register, and in a very short time a general revision of valuations was effected. To favour the granting of credit on real estate, the interest on loans granted by Institutes of Land Credit was exempted from income tax.

Measures were also adopted for reforming the system of applying the income tax on the incomes of Institutes of Credit, Savings Banks, and generally speaking, of all limited companies, establishing that, should the balance-sheet in any year show a loss, the Company has the right to relief of the whole tax assessed for the said year on the basis of the former balance-sheet.

Another important measure of relief was adopted by exempting obligations issued by Provinces, Communes, Corporations, and limited companies from income tax. This measure aimed at encouraging the accumulation of national savings for productive investments, such as shares in industrial and commercial companies, or investments of public interest represented by the shares of self-governing Corporations.

Another exemption accorded by the above-mentioned decree covers subsidies, etc. to corporations and private individuals in the interest of the nation.

With the intention of encouraging insurance, the surplus profits shown in the Balance Sheets of Mutual Insurance Syndicates against trade accidents were declared exempt from tax.

Another measure was adopted in favour of workmen, whereby those not in receipt of a regular wage, employed by the State, Provinces, Communes, and autonomous concerns, are to pay income tax at the reduced rate of 4% on all their earnings.

With regard to taxes on business, consideration has been given to the possibility of sacrificing certain sources of income in order to encourage national production and develop foreign trade.

Suitable relief was granted in regard to deeds and agreements made for the employment of funds of the National Institute of Insurance, the National Department of Social Insurance, and the National Accident Assurance Department. A special reduction to one-tenth the normal tax was granted on deeds by which Communes and Provinces renew contracts regarding aqueducts, gas and electric light, permitting payment to be made in annual instalments instead of a single sum, so as not to interfere with the circulating capital of the contracting firms.

By another decree temporary exemption from the conveyance tax was granted with respect to the merging of commercial companies, in order to strengthen their position and render their business more profitable through amalgamations.

Privileges were also granted to commercial correspondence so as to facilitate business.

Among the measures adopted to favour trade, mention should be made of the introduction of a special reduced tax on Bills of Exchange of not more than one month's maturity, and the reduction by one-quarter on those of longer term, and the suppression of the stamp duty on hotel and boarding house accounts.

In 1927, after the stabilization of the lira, which brought about a complete revision on sound lines of production and trade, the financial administration took further action.

The measures adopted aimed at:

a) alleviating the conditions resulting from the reduction of prices of agricultural products and ensuring more economic agrarian production;

b) compensating house owners for the reduced income due to rent restriction (which is now being abolished), facilitating also transfers or sales by a considerable reduction of the registration and mortgage taxes;

c) exercising an influence on the costs of industrial production and trade by eliminating the tax on articles of luxury and reducing the direct taxes affecting manufacturers and merchants, who, in the majority of cases, did not care to pass on the burden of these taxes to their creditors or staffs;

d) helping the greater development of the telephone systems, by reducing the tax on salaries and wages of the contracting companies;

e) encouraging the expansion of Italian trade abroad.

To give greater impulse to the economic betterment of the South, a ten year exemption from income tax was granted, and from the tax on land, buildings, and relative super-taxes to concessionnaires of water supply from the Sila for generating and transmitting electricity, and to works that use the energy so produced, as also to all new techni-

cally organized establishments set up by the 30th September 1931 in the city and territory of Fiume and the industrial zone adjoining the port of Pola.

For the benefit of the mercantile marine, an important asset of national power, the incomes earned in Italy by United States shipping companies was declared exempt from income tax; the United States government having accorded, by way of reciprocity, exemption from the corresponding American income tax to Italian shipping firms on the incomes earned by these in the United States.

International conventions have been agreed by Italy in order to avoid double taxation and to favour in this manner the development abroad of the productive activity of our industrial and commercial undertakings. The period in which Italian Companies are permitted to contract loans and to place bonds abroad exempted from income tax was extended to the 31st December 1930.

By recent measures various taxes which hindered business and trade have been abolished. The tax on trade is also receiving attention in order to make its application easier and simpler. Facilities and tax reductions in connection with amalgamation contracts of commercial firms have been extended and a reduction of one-fifth of the stamp duty has been granted on bills of exchange issued on exports.

In regard to Customs, certain duties were re-examined in order to control consumption in the country and avoid unnecessary burdens on the balance of trade, or to protect certain important branches of our production. Of special importance are the measures that refer to customs dues on wheat and wheat products, to safeguard the home production, which, owing to the special care given by the Fascist Government to this question, shows a marked increase justifying the hope that no imported wheat will be necessary. Other important measures are those raising the duty on sugar to the 1921 rate in the interest of the national beetroot cultivation.

On the other hand, exemption was granted on raw materials required from abroad, and new temporary concessions on imports of goods to be worked were accorded, so as to encourage and assist the spirit of enterprise of Italian industry.

The fiscal system relating to spirits was modified in order to promote the sale of wines not intended for home consumption and the use of alcohol for motor oil.

In the process of simplifying and lightening taxation, the recent abolition of internal customs dues (with the resulting abolition of "octroi" barriers) is a step of the greatest importance. These dues have been replaced by taxes on a limited number of articles. Thus a considerable saving has been effected in collecting the dues. As some Communes may lose by this new arrangement, a fund has been established by transferring the additional government duty on wines and spirits

to balance the communal budgets. The State budget has been compensated for this by the increased stamp duties and by the tax on coffee.

VARIOUS MEASURES TO PROMOTE ECONOMIC DEVELOPMENT. — In order to exercise a sound check on internal financial markets a careful watch has been kept on exchange agencies. To safeguard the interests of the thrifty and to encourage the formation and development of new capital, banking Companies and banks that receive deposits of money were placed under the watch of the Ministries of Finance and of National Economy.

The National Insurance Institute was authorized by Royal Decree-Law of the 2nd June 1927 to assume the responsibility of credits for the exportation of national products, instituting a special department which, in its initial stage, is run by the government, but will, in due course, have its own funds. The granting of these guarantees is subject to special privileges in exceptional cases and cases of particular interest from the national economic standpoint.

Special loans have been granted to certain industries of importance to national defence, such as the Società Alti Forni of the Julian Venetia and the Cogne National Company. This latter Company, has further been authorized recently to convert its loan into new share capital, and has received state guarantee for the issue of debentures.

A similar state guarantee has been given to an issue having as its aim assistance in the development of the Institute (formed by public organizations) for the generation and distribution of electric power.

Considerable financial assistance has been given to harbour works at Genoa, Naples, Trieste, Venezia Marittima and Marghera, Fiume, and Civitavecchia. Furthermore, to facilitate the erection and enlargement of industrial establishments in the districts close to the principal ports of the kingdom, partial relief from taxation was granted to the industrial zones of Trieste, Leghorn, and Pola, while considerable advances or allowances have been granted to the general warehouses of Trieste and Fiume and the *provveditorato* (Commissioner Office) of the harbour of Venice.

In many leading cities of the kingdom great stimulus has been given to house building, especially in Rome and Naples, through the financial assistance granted to the Roman Institute for workmen's dwellings and the National Institute for Housing State Employees, and through mortgage loans and other assistance of a fiscal character. Separate mention must be made of the grant of 5 millions annually for the construction of houses for invalided and disabled ex-service men. By these means, houses costing a total of 200 millions can be erected for the men who have so large a claim on the country's gratitude.

Timely reforms have secured the greatest efficiency in regard to reconstruction work in areas stricken by the more serious earthquakes;



while state measures have rendered assistance in other disasters, not only by granting immediate relief to the most needy, but also by helping to set up again machinery and plant needed for the economic activity of the regions most severely damaged.

This work of reconstruction has assumed special importance in the areas devastated by the war. In the period under review, thanks to a series of simplifying measures, the work of settlement and adjustment has been greatly accelerated. The right to compensation was extended also to those who, though not Italian citizens at the time the damage was done, served faithfully and honourably in the Italian army, becoming later our fellow citizens. Loans were also granted to navigation companies of the Julian Venetia to enable them, in the interests of the nation, to repair the damages suffered through their ships being requisitioned by the Austro-Hungarian authorities.

The part played by the Deposits and Loan Bank by granting long-term loans at very low interest has been of great help in furthering works of social and economic importance.

The work of the above mentioned Institute during these four years has been made more effective by measures to establish new sources of supply and to develop those already existing.

Special measures were also adopted to enable this bank to carry out financial operations in collaboration with other Institutes and also to extend its help to certain particular ends, amongst which may be mentioned the activity entrusted to the National Institute for Housing State Employees, which has thus been put in a position to accelerate its programme of construction with special regard to certain districts in which the need of suitable houses is most felt.

The action of Provident Institutes, administered directly by the Bank on behalf of a number of diverse categories of workers, grew steadily more extensive and efficient. Appropriate measures provide for the more liberal treatment of retired workers; new categories heretofore left outside have been admitted as members, while redemption and cumulative services have been provided for on fair terms.

The beneficent work of the Provident Fund for civil and military State employees and their families has progressed. Medical assistance, in the case of serious illness or surgical operation, is afforded to members who are no longer in the service, with the right to the normal pensions for themselves, or their families in case of their decease, while the granting of scholarships has been extended. To encourage the increased national production of tobacco, thereby enabling the Monopolies Department to reduce as far as possible its importation of raw material from abroad, the price of home-grown tobaccos has been maintained at a suitable level to encourage home-growers. With the same intention, the Monopolies Department has absorbed the home production, employing Italian tobaccos in place of foreign material.

During the year 1921-22, slightly over six million kilogrammes of Italian tobacco were employed as against 28 millions of imported tobacco, or 18 % national and 82 % foreign. In the year 1928-29 the position was completely changed: there were employed 7 million kilogrammes of foreign tobacco against 29 millions of Italian, or 81 % national and 9 % foreign. This means that several hundreds of millions have been saved to the nation.

The Italian Tobacco Company has been constituted with the financial help of the State, to facilitate the exportation of products made from national tobaccos.

Another field in which the financial administration has shown great activity in order to enhance national resources has been the development of spas owned by the State.

Works of great beauty and importance have been completed at Montecatini in the four years under review. At Salsomaggiore, the finest spa in Italy has been established; two large hotels have been built with departments for all kinds of treatment at tariffs which enable many to take advantage of them who were unable previously owing to the high cost. Great progress has also been made on the industrial side by the erection of the Chemical Institute for the extraction of iodine, table salt, and sundry bye-products.

Recaro, situated at the foot of the Pasubio, that witnessed so much slaughter and so much valour, is now rising again to the importance it had during the time of the glorious Venetian republic. Santa Cesarea, at the very extremity of Italy at the mouth of the Otranto Canal (the only thermal station in the South), has also received the attention of the government which will enable it to develop considerably.

Another thermal station has now been added to those originally owned by the State - namely Levico - in the valley of Sugana, close to Trento. The National Government has taken steps to restore this station to the importance it had at the time of Austrian rule, and by recent laws the ownership of the springs of Levico has passed from the Commune to the State. The management of this, as of other spas, having been assigned to private enterprise, the Treasury participating in the profits, it will attain its purpose while benefiting the peoples restored to Italy after the war.

The State has also re-organized and intensified the breeding of shell fish in the Gulf of Taranto, entrusting the business to private enterprise. Good results have already been obtained both in production and financially. With part of the revenue accruing therefrom to the State, a large establishment of marine biology has been erected at Taranto which will serve for important scientific studies.

In addition to this industry of Taranto, there is that of the two lakes in the Campi Flegrei, viz. Fusaro and Mare Morto, now restored to their former importance for the production of fish, oysters, etc.

Fresh stimulus has been given to works for the preservation and increased efficiency of state irrigation canals, especially the important Cavour Canal system.

In order that waters not altogether sufficient for the needs of agriculture may be employed with a complete knowledge of the needs of separate estates, and to obtain the best economic results, the Fascist Government, pursuing after three quarters of a century the work of Count Cavour – who in 1853 created the Land Irrigation Society to the west of the Sesia – has set up a similar irrigation organization in the territory comprised between the Sesia, the Po, and the Ticino, and to this organization, known as the East Sesia Irrigation Association, it granted in 1929 the concession of the management of the State canals in that zone.

The full efficiency now maintained in the irrigation system of the Cavour Canals, – extending to more than 1500 km. in the six provinces and distributing 290 cubic metres of water per second to 500,000 hectares of land – calls for special mention.

The work of the Finance Department has also been directed to the development of the direct production and sale of printed matter on behalf of the State by the creation of the State Poligraphic Institute, in which, by suitable agreements, the “*cartevalori*” (Treasury note) office, the State Poligraphic Institute, and the State Publishing Office have been amalgamated.

This, in short, is the work accomplished by the Finance Department during the four years 1926-29, a work which is steadily progressing towards the goal of the betterment of the country.

NOTE. – At the moment this edition is going to press, the splendid success of the new national Loan for the renewal of the Nine-Year (1922) Treasury Bonds is announced. In response to the Government's appeal for the subscription of 4 thousand million lire for the renewal of the Bonds, the Country has answered by subscribing over 7 thousand millions in Italy and the Colonies.

# THE BANCA D'ITALIA

by BONALDO STRINGHER, *late Governor of the Banca d'Italia.*

In 1925 the extensive programme of the National Fascist Government for the rehabilitation of the currency was in its initial stage. After the execution of the agreement for the settlement of Italy's war debt to the United States, Count Volpi opened the negotiations which led to the London Agreement for the settlement of the debt to Great Britain.

These highly important steps opened up a period of strenuous financial activity extending over two years: the unification of the note issue accompanied by assigning to the Central Bank the function of safeguarding the national savings; the consolidation of the floating debt, the gradual revalorization of the lira, and finally the return to a currency convertible into gold by legal stabilization at a more appreciated level. To write fully on the action of the Banca d'Italia during this period would be equivalent to recording the history of events which stand out as vital dates of the present national revival. They are sufficiently well known and, being of recent date, are vividly remembered by all who lived through them. It is not out of place, however, to give a brief outline of the most notable features of the period.

The concentration in the hands of the Banca d'Italia of the note issue was sanctioned by the Royal Decree of the 6th May 1926, converted into law no. 1362, of the 25th June 1926.

The means by which this unification was effected were the following:

1. The transfer to the Banca d'Italia of the bullion reserve and its equivalent held by the Banco di Napoli and the Banco di Sicilia, against their outstanding notes;

2. The transfer to the debit of the Banca d'Italia of the notes issued by the two banks above-mentioned in circulation on the 30th June 1926;

3. The transfer to the Banca d'Italia of the credits of the Banco di Napoli and the Banco di Sicilia with the Special Independent Section of the Syndicate for Advances against Industrial Securities (*Sezione speciale autonoma del Consorzio per sovvenzioni su valori industriali*), with all securities and reserves relating thereto;

4. The transfer to the Banca d'Italia of the credits of the Banco di Napoli and the Banco di Sicilia with the Royal Treasury in respect of advances and notes supplied to the State, as outstanding on the 1st July 1926 (1).

Apart from the last item, it was obviously necessary to concentrate

(1) The Treasury having repaid in June to the two banks the full amount of their old statutory advances, totalling 125 million lire, the bullion reserve which was set against these notes, outstanding on State account, to the extent of one-third, became available as cover against the outstanding circulation on trade account.

in the hands of the Central Bank the credit with the Special Independent Section of the above Syndicate, in view of the fact that the liquidating machinery of that credit and the provisions to meet possible losses included the creation of reserve funds by setting aside the excess profits shown on the balance-sheets of the creditor banks, and of a proportion of the State tax on the circulation of bank-notes.

The above-mentioned transfers from the southern banks to the Banca d'Italia resulted in the following increases in the accounts of the latter:

310.9 million gold lire (of which 241.8 millions in actual gold), corresponding, at the provisional<sup>1</sup> rate fixed, to 1480.9 million paper lire, in the bullion and equivalent reserve;

802.1 million lire in the credit with the Special Independent Section of the Syndicate for Advances against Industrial Securities;

1489.3 million lire in the extraordinary advances to the Royal Treasury;

3782.3 million lire in the circulation of notes as against the above items.

Consequently the Bank's credit with the Special Independent Section increased to 3381.1 million lire, while the credit with the State in respect of statutory and extraordinary advances rose to 6729.4 million lire.

After providing in this way for the concentration of the note issue in a single bank, the Government proceeded to give effect to a carefully studied plan of currency deflation in order to protect and improve the rate of the lira. This naturally included, as regards the note circulation of the Bank, a reduction in the amount of State liabilities to the Bank, together with an increase of the bullion reserve covering its notes (1)

Thus the State handed over to the Banca d'Italia the sum of 90 million dollars (of which 70 million were the balance of the Morgan loan and 20 million were available out of other Treasury funds), equal to 463.9 million gold lire. As against this the outstanding Treasury debt to the Bank was reduced by 2500 million lire, causing an immediate fall of the total debt to 4229.4 million lire. At the same time, the bullion and equivalent reserve held by the Bank was increased by the said amount of 463.9 million gold lire.

It should be added that, with the object of reducing that part of the note circulation which was connected with the Bank's credit with the Special Independent Section, the Treasury decided to realize the Treasury Bonds set aside at the Bank for meeting the final losses of the

(1) Cfr. Royal Decree-Law n. 1506 of the 7th September 1926. A further point consisted in the adoption of a limit to the circulation of the bank notes issued in respect of transactions undertaken to meet trade requirements. It is unnecessary however to insist on this subject since the measure became void as a result of the currency reform.

Section, with the object of making a settlement in advance, by applying the proceeds for the reduction of the Bank's credit.

On the sum thus realized by the redemption of the said bonds the Treasury decided to allow interest at the rate of 4.50 % per annum in a special account, in order to maintain the safeguards which had been previously adopted to meet expected losses.

It is well to recall that on the 20th November 1926 the Special Independent Section was suppressed and the Istituto di Liquidazioni (1) was created to take its place. To this Institute the whole of the outstanding transactions, amounting in all to 3,369 million lire, were transferred, representing the total credit of the Banca d'Italia with the new concern. But on the same date the reserves accumulated to meet the losses of the liquidation amounted to 1,466 million lire (2) this being deducted from the Bank's credit, thus automatically reduced to 1,898 million lire.

With reference to the control exercised by the Banca d'Italia over credit institutions receiving deposits as provided for by the Royal Decree (no. 1511) of September 7th 1926, completed by that of November 6th (no. 1830), it should be remembered that previously the Ministry of National Economy exercised supervision over savings banks, pledge banks engaged in sundry business transactions (*Monti di Pietà*), and various other special credit institutions; but all other banks, including those involving greater risk to the depositors, were not subjected to control.

The new regulations required all existing banks to be registered at the Ministry of Finance; no new banks or fresh branches of existing banks could be established without the ministerial assent, only granted after consultation with the Bank of Issue.

In order to strengthen the position of the Banks, it was required that, as from the closing of the 1926 balance sheet, yearly additions of not less than 10 % of the net profits should be placed to reserve until the reserve fund reached an amount equal to 40 % of the paid up capital.

For rural banks, the proportion of net profit to be added to the

(1) See Royal Decree Law n. 1832, of the 6th November 1926.

(2) The reserve fund was fed by the following items:

a) The Profits realised by the administration of the Istituto di Liquidazioni:

b) All net profits: obtained, or to be obtained, by the Banca d'Italia in the years 1923 to 1930 inclusive, over and above the dividend distributed to the shareholders and the amount paid to the State for the year 1922;

c) The interest on Government securities formerly included in the reserve of the Istituto di Liquidazioni, which were transferred to the Bank, reducing its credit in a corresponding degree;

e) The interest due by the Royal Treasury, as mentioned above, in respect of the sums reimbursed to the Banca d'Italia by the Special Independent Section and subsequently by the Istituto di Liquidazioni, either in respect of realised capital or of reserve;

In the years from 1923 to 1929 the excess net profits alone appearing in the Bank's balance-sheet which were employed for reducing its credit with the Istituto di Liquidazioni, totalled 228.5 million lire.

reserve fund was fixed at nine-tenths until the fund should amount to 10 % of the deposits. (1)

The regulations also determined:

- a) the minimum capital for new banks and provided that;
- b) the minimum ratio of capital and reserve to the total amount of the deposits was to be as one to twenty;
- c) the maximum limit of credit facilities which may be afforded by a bank to each one customer was fixed at one-fifth of the lending bank's capital.

The above rules were not intended to eliminate all dangers and drawbacks nor to give a sure guarantee to the depositors; before all legislation, the security of the depositors must rest on the capacity, alertness and, above all, the straightforwardness, of the men who conduct the Bank's business. The new regulations, deliberately avoided the adoption of more rigorous measures which might have been an obstacle to the free development of credit, and must be regarded in part as a warning to awaken the conscience and emphasize the responsibility of all those who are entrusted with the administration of the savings of the Italian people. At the same time it is obvious that it rests with the depositors to see that they entrust their savings to reliable banks affording evidence of sound and prudent administration and that they are not misled by the attraction of high interest rates on their deposits or other advantages.

In the three years that have elapsed since the adoption of the above-mentioned law, the Banca d'Italia, through a special control department at its head office and the action of its various branches, has supervised 3981 banks; it has passed on 177 applications for absorption or amalgamation; it has carried out 1140 inspections, and has examined 1567 applications from banks desirous of exceeding the limit of credit facilities to customers.

Since mention has been made above of the issue of the Littorio loan (Decree Law of November 6th 1926), it should be remembered that, during and after the war, the characteristic features of Treasury bills had been lost sight of and they had become something in the nature of interest-bearing notes circulating in addition to the non-interest bearing currency and bank notes.

Short-dated securities which, for that very reason, were not liable to fluctuations in price, were apt to be used as a substitute for cash, and could always be used as security for loans in cases of urgent necessity. But these qualifications, while favouring the issue of the bills, contained an intrinsic drawback, for they increased inflation to the detriment of

(1) This rule does not affect the savings banks of pledge-banks (*Monti di Pietà*) of the first category, for which the Decree Law of February 10th 1927 enacted that seven-tenths of the net profits should be set aside to create or increase the reserve fund until the latter should reach the proportion of one-tenth of the whole deposits.

price levels, and should the Treasury have decided to stop their issue, their redemption would have entailed huge capital disbursements which would have exhausted the Treasury cash balance, converting security inflation into currency inflation.

Since currency deflation was decided by the Government, it was obviously necessary, in order to complete the financial provisions required for balancing the budget, to protect it from the dangers of an ever increasing floating debt, if the dangers incurred in many countries where conditions were not unlike our own were to be avoided.

At the end of October 1926, the position of the Italian Treasury and of the note circulation was such that no further delay was possible in proceeding to the consolidation of the floating debt.

The flotation of the above-mentioned public loan was thus made by authorising the issue of bonds in which Treasury bills, 5-year and 7-year Treasury bonds, repayable on or after the 11th November of that year (1) had to be converted, the Treasury being required to use the net proceeds of the bonds offered to the public "for the exclusive object of paying off short-dated State obligations".

The Banca d'Italia was officially entrusted with the duty of receiving subscriptions in Italy and in the Colonies, with the assistance of post-offices, public bodies, savings-banks, and other banking institutions selected by the Banca d'Italia and the Ministry of Finance.

It will be remembered that the whole country responded to the appeal of the Government almost unanimously, so that the result-surpassed the most sanguine expectations. The subscriptions in the Kingdom and in the Colonies amounted to about 3,256 million lire, while those abroad reached 200 million lire (2).

The final and conclusive stage of the measures taken by the Government to ensure the country the necessary basis for a quiet and fruitful work of reconstruction was the repeal of the inconvertibility of bank notes.

The Royal Decree Law of the 21st December 1927 fixed the new parity for the lira at gr. 7,919,113 of fine gold for every 100 lire, the parity of the dollar exchange rising to 19 lire, the sterling exchange to 92.46 lire and old gold lira to 3.666 lire.

The Banca d'Italia is required to convert its notes either in to gold or in to foreign currency convertible into gold at the exchange rate fixed by the Bank, which, however, must not in any case exceed the

(1) The total of the Treasury bills and bonds to be converted was 20,600 million lire.

(2) The amount subscribed directly at the offices of the Banca d'Italia, including 50 million lire which was subscribed by the Bank itself, was 973 million lire, while 384 million lire was subscribed at the post-offices, 87 million lire at the offices of public bodies, and 1,812 million lire at banks and savings-banks thereto authorised.



limit of the gold export point. In other words the gold exchange standard was adopted. (1)

The transition to such standard implied first of all the revaluation at the new gold parity of the reserve originally held by the Bank, which was entered in the balance-sheet in gold lire at the old parity, and the surplus in new lire thus obtained was used for cancelling the balance of State liabilities to the Bank in respect of extraordinary advances granted by the latter, amounting to 4,227 million lire (2). It is easily comprehensible that no surplus was available for that part of the reserve consisting of the 90 million dollars previously paid over to the Bank by the Treasury and of the bullion and equivalent reserve transferred from the southern banks, since both items had been entered at rates of exchange higher than the new parity which was finally fixed. Consequently there was a balance to be adjusted in favour of the Bank, which was originally entered as a liability of the State (3).

Therefore, at the time when the said revaluation was taking place, the Royal Treasury transferred to the Central Bank of gold exchange foreign currencies for an amount equivalent to the difference between the original purchase price and the value in new lire of the foreign currencies previously transferred to the Bank.

The reserve of the Banca d'Italia, which on the 20th December amounted to 2910.9 million gold lire (old parity) or 2397.9 gold lire, apart from the gold deposited in London, was increased by the transfer of foreign currencies from the Treasury to the Bank, amounting to 3,302.1 million gold lire, equivalent to 12,105.9 million new lire. This was the amount written into the balance-sheet of the Bank for the new reserve held as cover for the notes issued by the bank and all other sight liabilities, namely, cash orders and drafts, private deposits on current account and Treasury deposits on current account placed with the Bank, in its capacity of Treasurer to the State (4).

(1) The notes to be converted must be presented at the Head Office of the Bank and the minimum amount to be converted must be equivalent to the value of 5 Kg. of fine gold at the rate of 100 lire per gr. 7.919.113.

(2) The revaluation applied also to the certificates for gold deposited abroad (amounting altogether to 504 million gold lire) which was included in the Bank's reserve. But since, following the settlement of the War Debt between the British and Italian Governments of 1926, the gold deposited with the Bank of England was considered as an actually pledged and fixed deposit, that amount, as from the 21st December 1927, was deducted from the reserve and entered as a State liability to the Bank in gold, to be repaid in half-yearly instalments at the same rate at which the gold would be returned to the Italian Government by the Bank of England.

(3) It may be realised that the 90 million dollars were paid over to the Bank against the cancellation of 2,500 million lire of the out-standing State liabilities, equivalent to an exchange rate of 27.77 lire to the dollar, whereas the 310,9 million gold lire forming the reserve of the Southern Banks which were transferred to the Banca d'Italia, implied for the latter the charge of 1409,9 million lire of notes of the said banks, equivalent to an exchange rate of 4.79 lire for every gold lira.

(4) In order to ensure the success of the stabilisation it was necessary, as had been done in other countries, when re-establishing the currency of the country on a gold basis, to obtain

As a result of the currency reform, the Banca d'Italia was placed in a position enabling it to perform its duties under normal conditions, all restrictive rules due to the difficulties of a now distant past having been finally removed. Thus the maximum note circulation is determined both in theory and practice by its ratio to the bullion or equivalent reserve, which must not fall below 40 % of the note circulation and all other sight liabilities. When the ratio of the reserve exceeds that figure there is a corresponding margin of increase for the note circulation, which can be raised until the said proportion of 40 % of all sight liabilities is reached. But it is obvious that, within this margin, the Central Bank, as the supreme controller of the market, has the duty of keeping its note circulation within certain limits, avoiding any expansion inconsistent with the requirements of the money market.

On the other hand, should the ratio fall below 40 %, a special tax is levied on the notes remaining uncovered after all other sight liabilities are covered in the due proportion by the reserve. If the ratio is less than 40 % but not below 30 % this tax is equal to bank rate plus one-tenth, and on every subsequent 10 % fall in the ratio the amount of the tax is further increased by an additional tenth of the current bank-rate.

Bank-notes issued for temporary advances to the State, which are authorized up to a maximum amount of 450 million lire, must have the same security as the others, namely they must be covered by reserve at the rate of 40 %, whereas in old times the reserve cover for such notes was fixed at one third. Such notes, however, would be, as in the past, exempt from the ordinary circulation tax.

Moreover, the Bank is required to provide, through control of the note circulation and opportune interventions in the foreign exchange market, that the fluctuations of the lira exchange should remain within the gold points; and it is also empowered, when the conditions of the circulation require it, to proceed to realize a portion of the foreign currency included in the reserve.

It is well to emphasize the fact that a not negligible part of such foreign currencies as were added to the reserve at the time of the stabi-

a foreign credit for a substantial amount, as evidence that any emergency could have been faced. The negotiations which were conducted in London in a spirit of cordial co-operation between the Governor of the Bank of England, the Governor of the Federal Reserve Bank of New York, and the Governor of the Banca d'Italia - the last authorized thereto by the Treasury - led to the opening of two separate one-year credits, for an aggregate amount equivalent to 125 million dollars. The first of these credits was for the equivalent of 75 million dollars and was granted by the leading Central banks under the auspices and with the concurrence of the Bank of England and the Federal Reserve Bank of New York. The second, amounting to the equivalent of 50 million dollars, was arranged by Messrs. J. P. Morgan & Co of New York, in conjunction with leading London banks.

Since the Banca d'Italia never required to make use of such credits, at the maturity of the 20th December, 1928, the option which had been agreed for renewing the credits if required for a further period of one year, was not exercised.

lization of the lira had been obtained by using bank notes for their purchase, and these notes could not remain indefinitely in circulation after the changes caused in the home market by the currency reform. It is a known fact that the State debt in respect of outstanding notes is repaid largely through the surplus value attributed to the bullion reserve, placing the whole weight on the shoulders of the Central Bank. The latter could not maintain indefinitely a circulation of notes disproportionate to its normal business turnover (1).

In fact, a reduction in the large stock of foreign currencies accumulated at the time by the Banca d'Italia was inevitable, unless, indeed, some quite exceptional circumstance had altered the condition of our foreign trade in such a way as to render the Italian balance of international payments largely favourable. As a matter of fact, in the two years following the currency reform, the reserve has fallen from 12,000 million lire to 10,300 million lire, while the note circulation has been reduced from 18,000 million to 16,800 million, the average amount of notes outstanding in the two years under consideration having moved from 17.7 to 16.5 thousand million lire. At the same time the gold reserve has risen from 4,547 to 5,190 million lire. The Bank was authorized by law to convert into gold a part of its foreign currency reserve. The increase above mentioned as for 608.5 million lire is in respect of such conversions, while the balance of 34.5 million lire is in respect of the half-yearly restitution during the two years of the gold deposited in London, the gold credit of the Bank with the State having been correspondingly reduced.

The total sight liabilities of the Banca d'Italia requiring a reserve cover having moved from the end of 1927 to the end of 1929 from a total of 21.8 to 18.8 thousand million lire, the ratio of reserve has been maintained between 55.47 and 55.13 %, the surplus of reserve over and above the legal minimum of 40 %, viz. the reserve available for further liabilities, has been reduced from 3377 million lire to 2838 million lire (2).

It may be added that, as is known, in the year 1928 the Banca d'Italia decided to increase its authorized capital from 300 million lire to 500 million lire, raising the paid-up portion of the capital from 180 million lire to 300 million lire. Of the 200,000 new shares which were

(1) Prior to the stabilisation, the increase of 90 million dollars in the reserve of the Bank, as already mentioned, was set off by cancelling 2,500 million lire due by the Treasury to the Bank; the revaluation of the Bank's reserve at the time of the stabilisation brought about the cancelling of the balance of the State debt, amounting to 4227 million lire, therefore the total amount of 6,227 million lire of notes which were already, and continued to be, in circulation without having a corresponding basis of banking transactions, representing purely and simply a debt of the State, were in fact a surplus of paper notes circulation at the charge of the Central Bank.

(2) From the returns of the Bank as on March 20th 1930, it will be seen that the total sight liabilities are reduced to 17.7 thousand million lire, the circulation of notes alone being reduced to 15.9 thousand million lire, while the ratio of the reserve is 57.19 % the gold in hand amounting to 5,205 million lire and the ratio of gold to the notes outstanding being equal to 32.78 %.

issued, one half were allotted to the existing shareholders *pro rata* of the shares respectively held, while the other half were attributed to the ordinary savings banks proportionately to the amount of deposits held by each. The sum required to pay for the 100,000 shares given to the shareholders was drawn from the funds of the shareholders' special reserve. The premium at which the new shares were issued was employed to increase the reserve funds of the Bank. Therefore at the present time, against a paid-up capital of 300 million lire there is a statutory reserve of 100 million lire, or one-fifth of the authorized capital as prescribed by the Statute, in the same way as, previously, when the authorized capital was 300 million lire, there was a statutory reserve of 60 million lire, including the old extraordinary reserve of 12 million lire. At the present time, in addition to the statutory reserve, there is again an extraordinary reserve of 32 ½ million lire. On the other hand, the shareholders' special reserve amounts to 111 million lire (1).

With regard to the business of the Bank it may be observed that, from the end of 1927 to the end of 1929 the normal assets, consisting of discounts, advances and deferred payments at clearing houses have increased from 5,520 to 6,234 million lire, whereas the average amount of the said assets fluctuated during the two years between a maximum of 6,641 and a minimum of 5,273 million lire.

The Bank's credit with the *Istituto di Liquidazioni* which, at the end of 1927 amounted to 1,434 million lire, was reduced to 651 million lire on December 31st 1929, and now (March 20th 1930) it does not exceed 777 million lire, thanks to the considerable yearly contribution paid by the Bank out of its own profits.

After the heavy sacrifices which it has spontaneously made, by giving an active contribution to the country's recovery from the credit difficulties of a not distant past, the Banca d'Italia is now able to view with satisfaction the approach of a time when the burdens on its balance-sheet will be curtailed and disappear altogether, thus enabling it to advance with undiminished fervour and greater speed on the path traced by its historic traditions. It will then contribute with all its forces to the achievement of the Government's noble endeavours on behalf of national economic development.

NOTE. — As regards the general position of the country it is well to quote the following passage from the report read by the Governor

(1) The shareholders of the Bank have paid for each share 600 lire on capital account and 200 lire on reserve account: thus altogether 80 million lire were withdrawn from the shareholders special reserve. The savings banks paid for each share 600 lire on capital account, 200 lire on reserve account, 175 lire as premium towards the shareholders' special reserve, and 325 lire as additional premium for creating a new extraordinary reserve: altogether, 1300 lire per share.

of the Banca d'Italia at the General Meeting of the Bank's Shareholders held on March 31st, 1930:

*“ For our country the past year has actually involved a fresh step along the difficult path of economic restoration, although our progress was hampered by the conditions of foreign markets and by the handling of the international problems from the solution of which benefits are expected for all the nations which were tried by the war.*

*“ Considering the various obstacles in the way of speedy recovery in countries better provided than our own, it is no small satisfaction to record our steady advance in the process of readjustment required by the currency reform introduced two years ago.*

*“ Beginning with the Budget, we find that the balance achieved has been well maintained.*

*“ The financial year ending on the 30th June 1929 closed with actual receipts totalling 20,200.8 million lire against an expenditure of 19,645.7 million lire, showing a surplus of 555.1 million lire.*

*“ The estimates for the present financial year 1929-30 originally contemplated actual receipts of 18,571 million lire against expenditure of 18,313 million lire, with a surplus of 256 million lire.*

*“ Owing to the changes brought about by supplementary estimates in the course of the first eight months of the year, it is estimated that for the full year the receipts will be reduced to 18,347 million lire and expenditure increased to 19,396.4 million lire, thus anticipating a deficit of 1,049.4 million lire.*

*“ The actual results for the first eight months however, show receipts at 12,638.7 million lire and expenditure at 12,925.6 million lire, or a deficit of only 286.9 million lire ».*

## SAVINGS BANKS

by CESARE FERRERO DI CAMBIANO, *late Minister of State, President of the Association of Savings Banks.*

Savings Banks were started in Italy just over a hundred years ago, first in the Venetian district and in Lombardy, then in Piedmont, afterwards in Tuscany and later on in the other provinces of Italy. Particularly after the Unification of the kingdom, they acted for a long time as a kind of moneybox for the modest savings of the less well-to-do and the working classes.

And it is precisely because these Banks were intended for the good of the poorer classes and for encouraging thrift among the hard-working population, that the Communes, Provinces and National Societies started them more particularly in Northern and Southern Italy, while in Central Italy, that is to say in Emilia, Tuscany, the Marches and Latium, they were almost exclusively founded by a band of generous and far-seeing men who contributed the first capital by issuing shares among themselves, whence we have the name Share Banks, preserved in memory of the founders, though they never took a penny by way of repayment or interest, their chief work being to nominate the managers of the Banks. Bishops and other church dignitaries deserve honourable mention as having been among the founders.

When economic and financial conditions changed and savings had increased, and at the same time the structure and work of the Savings Banks had been perfected under the law of the 15th July 1888, which fortunately assured them freedom in the investment and use of deposits, there began that evolution which has conferred so many benefits and enabled these Banks to attain their present flourishing position as disinterested credit institutes ennobled by tradition, by their provident work and by the increased confidence placed in them throughout the country, especially in those districts where they operated.

This advance and evolution in the intents and purposes of the Savings Banks, which the law of 1888 fortunately allowed and the Government favoured, was revealed and stressed during the Savings Banks Congress held in Turin in 1911, where, one might say, the new functions of these Banks were unanimously planned and afterwards gradually carried out. Thus to their original work was added another duty more in keeping with modern times and the needs of the country, modest and prudent at first, but slowly becoming more developed, always respecting of course the limits which distinguish them from ordinary Banks.

These Saving Banks continued to develop and flourish marvellously, and not even the Great War was able to hinder their action or diminish the trust placed in them.

We thus come to our own times, during which the development and fortunes of the Savings Banks and the vastly altered conditions of

economy and credit suggested to the present Government a new transformation, which has been carried out under the care of Signor Belluzzo by the law of 29th December 1927.

This law, of exceptional importance, has exercised a beneficial influence on the Savings Banks, and is one of the greatest achievements of the Fascist Regime, because it has consolidated the benefits which the Savings Banks render to the credit and economy of the nation, ensuring the necessary conditions for success: benefits which have been increased by the measures decreed for safeguarding savings – still insufficient (in our modest opinion) but indicating a healthy tendency.

Savings banks having thus become credit banks small or large according to their potentiality and sphere of action, naturally required to be placed on a broader and sounder basis, the small banks that formerly operated on a small scale and did business of various kinds being unable to act as credit banks.

The smaller and less powerful banks had to amalgamate with their more powerful neighbours and become their agencies or branches; the others, while safeguarding their independence, had to enter into closer co-operation, coming to agreements for the collection of savings, the rate of interest paid on them, the uses to which they could be put. The rule requiring all the federated banks to restrict their activities to a clearly defined territory, had the beneficial effect of eliminating competition, which had been gaining ground and doing much harm.

It is due to the Belluzzo law that all this has been effected by merging the smaller Banks, by concentration, and by federating those banks which appeared stronger and more active. This was the beginning of a new era in banking, which will certainly be fertile of results, and increased business will accrue as time consolidates these new amalgamations, as yet subject to adjustment and reform based on the teaching of experience.

Meanwhile, by the energetic but cautious application of the new law by the organs of the Government entrusted with the dissolution of savings banks having less than 5 million lire and facilitating the amalgamation of those whose deposits did not reach 10 millions, about 99 Banks have been closed, reducing the number of remaining Banks from 204 as it was at the commencement of the reform, to 105.

These 105 Banks, in spite of the laborious task of negotiating complicated agreements, have been concentrated into provincial, inter-provincial and district Federations which are still being formed and organized: namely, 6 Provincial and 7 Regional.

The Banks of the provinces of Ancona, Ascoli Piceno, Cuneo, Perugia, Pesaro and Terni, have been formed into Provincial Federations; and those of the Abruzzi, Emilia, Latium, Liguria, Tuscany and Venice into Regional Federations. The Federation of those of Piedmont is at present under consideration, and we look forward to their taking a worthy place alongside their colleagues.

The Savings Bank of the Lombard Provinces, on account of its tradition and its special nature, already forms a most powerful federation, with its 4 milliards of deposits and its admirable organization. In Sicily, the only Savings Banks are those of Palermo (the Vittorio Emanuele) and the Bank of Sicily, which form a section by themselves, and which for peculiar and obvious reasons cannot be merged or federated. These remain as they were.

In the South of the Neapolitan Provinces, for the same reasons that hold good for Sicily, the Savings Section of the Bank of Naples, which has united in it some smaller banks of that region, remains as it was, and for the present no change seems practicable. This also applies to the sole surviving Savings Bank of Cosenza.

To describe completely the structure of the Savings Banks and their business, we must also say something about the Association and the Institute of Credit which bind them together.

It may be said that all the Savings Banks are members of this Association to which they refer as a centre of information and enquiry. It expresses their wishes, represents their collective interests, assists and advises them and defends their interests, always respecting their intangible autonomy. As an organ of communication and stimulus, appreciated by the Government, it has worthily co-operated in enforcing the new law of amalgamation and federation, and has always responded willingly to every call and invitation made by the Ministry – which listens to its impartial and deferential advice and in its turn promotes understandings to the common advantage.

The Institute of Credit combines the Savings Banks in their financial relations by its capital of nearly 80 millions, representing their participation, by the circulation of cheques which they issue and pay for considerable amounts (in 1929 about 6 milliard lire), and by the operations decided in common, thus enabling them to respond better to applications on behalf of public utility works so often made them.

These two organs – the Association and the Institute – complete the scope and activity of the Savings Banks, which they help to increase and prosper for the public welfare.

In order to estimate the importance of the Savings Banks, which has gone on increasing every year, it is necessary at this point to remember the amount of savings collected. In 1925 they were lire 12,766,000,000; in 1926 lire 13,000,000,000; in 1927 lire 13,900,000,000; in 1928 lire 15,626,000,000 and at the end of 1929 they reached the total of lire 16,300,000,000.

This progress is worthy of note considering the state of our economy and compared with the deposits collected by other institutions and the Post Office Savings Bank itself, which offers all the conditions of security and in certain instances even higher interest. The following fact also should be noted, viz. that the Savings Banks have never made their



deposits attractive by offering large interest, with the exception of some small banks which hardly count and have been recalled by the Association to the traditions and duties of Savings Banks from which they had departed owing to keen competition.

Our Savings Banks, indeed, have always attracted deposits and savings thanks to the unfailing security guaranteed by the safest re-investment and the entire absence of hazard or speculation.

The employment or re-investment of the savings entrusted to them, regulated and specified by the law and by their statutes with respect to both nature and amount are all co-ordinated to the high aims of Savings Banks.

The Banks come to the aid of house-building and landed property by their mortgages, working in conjunction with the Institutes of Land Credit; some of these are carried on by the Savings Banks themselves or by associated institutes such as the Bank of the Lombard Provinces, of Bologna, and of Verona, now united with that of the Venetias in forming the Institute of Land Credit of the Venetian Provinces, the Institute of St. Paul in Turin and the Monte dei Paschi of Siena.

The Banks supply credit to Provinces, Communes, and Trusts by book credits helped by the guarantee forthcoming from the additional duties on articles of consumption.

Industries and commerce are assisted by the discount of bills, of exchange, brokers' discounts, advances and current accounts, and the Banks have favoured the establishment of general warehouses by granting long period loans. Hydro-electric and irrigation works have been promoted, as for instance by the Turin Savings Bank granting about 40 million lire solely to the works of the Dora.

They have promoted co-operation, through the Institute of Co-operative Credit (now the Labour Bank), and have always favoured building, cooperative societies, and provision stores.

By acquiring bonds (almost exclusively State Bonds or those guaranteed by the State), they contribute largely to public credit, maintaining market quotations at their proper level. The Savings Banks in 1929 employed more than five and a half milliards in bonds.

In all these re-investments the Savings Banks naturally employ many hundreds and thousands of millions: in house mortgages about 2 milliards, in credits close on 3 milliards, in bankers' discount over 2½ milliards, and in contango operations nearly 900 millions. These figures are for 1928, as those for 1929 have not yet been compiled.

But, in addition to the above activities, our Savings Banks give ample and generous support in every contingency of national life. They have taken a large part in the issue of Treasury Bonds and Loans (war bonds and later on those known as "Littorio", bonds), thus fulfilling their duty towards the State; and have further always taken a conspicuous part in every undertaking which interests public welfare, production, and the high political aims of the Government.

Thus they have assured the support of their capital to the integral reclamation of the land, within the limits of their possibilities and with due regard to security.

In regard to agrarian credit, following the provisions of the Government in favour of agriculture, the Banks have liberally contributed to the capital necessary for the creation and working of the National Trust for Agrarian Improvements Credit. They have also favoured the regional Institutes of Agrarian Credit, although they already exercised to a considerable extent agrarian credit especially in the mainly agricultural provinces.

The Savings Banks took a large share in the increase of capital of the Bank of Italy when the latter, according to the wishes of the Head of the Government, became the only bank of issue. Their contribution amounted to 130 millions.

To come to minor matters: the Savings Banks have helped the agrarian improvement of Tripolitania, assisting in the formation of a Trust for granting agrarian loans. Through the *Consorzio di Credito per le Opere pubbliche*, they have granted the State a loan of a hundred and a half million lire to be used in public works on behalf of the two Libyan colonies.

They have everywhere contributed largely to financing institutes for workmen's houses and the National Institute for the housing of State Employees.

And as in former times the Savings Banks had willingly contributed to the institution of the National Provident Bank (which has now become the National Bank for Social Insurances and the National Accident Assurance Institute in the creation of Loan Trusts for the sufferers of the Calabrian-Sicilian earthquake of 1908 and later the Marsica earthquake and the eruption of Vesuvius, so now they have contributed their help to the Trust set up for the sufferers of the earthquake in Tuscany and Emilia, intensified their operations in favour of disabled and ex-service men, and of those who suffered in the war in the invaded provinces, and of insurance against sickness.

We must not overlook the provident share the Savings Banks have taken in the *Consorzio Sovvenzioni Valori* on behalf of industry, the Credit Trust for Public Works, the Institute of Credit for Public Utility Works, and the Institute of Naval Credit, all wisely exercised and with assured advantage to public economy.

There is yet another field in which the Banks have played a large part, and we must add a laudable part, not to their own advantage but to the benefit of the public exchequer; namely the direction of offices for the collection and receipt of taxes. This is a new task for the Savings Banks which they undertook at the invitation of the Government and in order to render an important service to the State and the taxpayer.

It may be said that the principal tax offices are now in the hands of

these Banks, i. e. those of Turin, Milan, Florence, Genoa, Venice, Rome, Naples, and Palermo, to mention only the big cities.

We are still passing through a period of adjustment which is not certain of proving lucrative for Savings Banks, and perhaps it may be at first even onerous; but once this period is over, and the tax offices properly organized, both the State and the taxpayers will feel the benefit, apart from the fact that the office of tax collecting thus becomes a form of public service and no longer subject to private speculation.

What I have written may appear unduly laudatory of our Savings Banks, but I have adhered strictly to facts of which I have a personal knowledge as president of the Association and the Institute of Credit which combines them.

All Italians know the benefits that the Banks confer by the disposal of their funds, which fully justifies their claim to be "disinterested institutes of credit", since the sole benefit they gain from their administration is public gratitude and the satisfaction of knowing that their duty has been well done.

In all parts of Italy where Savings Banks are established they largely assist the local public administration in every contingency, whether loans or some other need are in question. They never deny their help to any public work or in any public disaster; they associate themselves with every public utility work, thus combining foresight with providence.

In accomplishing this generous mission, which is their chief aim, the Banks ask simply that genuine thrift be yet better safeguarded, reserving the terms "Savings Bank", "Savings Book", and "Savings Deposit" to our Banks only, because they alone have the responsibility of savings and because they alone really guarantee them under the protection of the law and the care of the Government, and with the reserves that accumulate.

Our Italian Savings Banks made this request at the Congress of Trieste and Palermo, and the act of 1888 governing their foundation had already mentioned it. Not only the Italian Banks, but the Savings Banks of the whole world attach importance to this privilege, which was unanimously voted at the International Congress of Thrift held in London last October, at which Savings Banks of 57 States were represented, and it was urged that the resolution should be transmitted to all the Governments. For this reason our Italian Banks recommend it most strongly.

They also and above all request, in the interest of their autonomy and their work – already strictly regulated by the law and by their own statutes and watched over by the Government – that they should not be subjected to the risk of coercion and impositions likely to disturb them.

The Head of the Government is fully alive to this need and has expressed himself very clearly on the subject. He and the Nation may be sure that Italian Savings Banks appreciate the trust put in them and will not fail to show themselves worthy of it and of their traditions.

# THE BANKING POLICY OF THE FASCIST GOVERNMENT

by GIUSEPPE BIANCHINI, *Deputy, President of the Fascist General Banking Confederation.*

In considering this question from a general standpoint, it must not be forgotten that the action of the Fascist Government in economic relations is regulated by the *Labour Charter*. This document was officially approved by the Grand Council in January 1926, and constitutes the fundamental declaration of the principles on which the Fascist State intends to regulate the relations between the State and the citizen, to develop its policy in the field of production, and to regulate labour relations.

Paragraph IX of the Labour Charter stipulates: "The intervention of the State in economic production shall take place only when private enterprise is lacking or insufficient, or when the political interests of the State are involved."

These principles have been rigorously applied also in the field of Finance. Therefore the activity of the Banks has had no special limitation or restriction apart from the application of the laws safeguarding thrift.

These laws are of the 7th September and 6th November 1926, and contain sundry dispositions which may be summarized as follows:

1st. To establish a new Bank it is necessary to obtain the permission of the Government which has to see that the capital is sufficient and is paid in.

2nd. The Banks are under the vigilance of the Ministry of Finance, exercised through the Bank of Issue; this control, however, is limited to ensuring:

a) that a certain proportion between deposits and the bank capital is maintained;

b) that the bank does not assume obligations towards any single firm beyond the limits fixed by law;

c) that the bank fulfils the obligation to establish reserve funds and publish regularly its balance-sheets and statements of account.

Banks are, therefore, private concerns, conducted by individuals or companies, regulated by the laws of commerce, and by the special laws above-mentioned when savings deposits are accepted, which do not in any way modify their nature and leave intact the responsibility of the management.

On no occasion has the Fascist Government or authorized public bodies expressed the opinion that Banks must be nationalized, indeed, the principles of the Labour Charter exclude this possibility.

With reference to the Bank of Italy, that is to say, to the Institute or Bank of Issue, it must be stated that the Fascist Government by

the law of the 6th May 1926 withdrew from the Bank of Naples and the Bank of Sicily the right to issue notes in order to centralize this right in the Bank of Italy. But the constitution of the Bank of Italy has not changed: its share capital has been preserved, being represented by shares quoted on the Stock Exchange, giving the right of attendance at the annual meetings. The relations between the Government and the Bank are governed by suitable conventions, and the Bank enjoys the privilege of issuing notes, the Government has reserved to itself the right of controlling the exercise of this privilege, the amount of the Reserve Fund, and the appointment of the Governor. These dispositions correspond to those generally in force in countries more advanced in financial matters and recognized by the Finance Committee of the League of Nations. The Bank of Italy is not dependent on the Government and is not obliged to make subsidies to the Government beyond the limits fixed by the laws regulating issue, and only in the cases and with the guarantees provided for by these laws.

The law of the 3rd April 1926 and the regulations of the 1st July 1926 have established the basis of the corporative system by decreeing that all labour relations shall be regulated through the organizations of employers and employed.

The law was applied to Banks, and the Fascist General Banking Confederation was established, recognized by Royal Decree of the 26th September 1926. The Federation has its headquarters in Rome, and at present includes seven national associations, namely:

- 1st National Banks.
- 2nd District Banks.
- 3rd Private Banks.
- 4th Financial Institutions (Trust and Holdings).
- 5th People's Banks.
- 6th Rural Agricultural Banks.
- 7th Stock and Exchange Brokers.

The Federation is divided into two sections:

An Industrial Section which regulates labour relations. This Section undertakes:

a) the study and solution of problems affecting labour between banks and their staffs, in accordance with present regulations and with the intention of fostering collaboration;

b) the study and application of social legislation and useful educational measures and schemes, with a view to helping the relation between capital and labour in the national interest.

The Economic Financial Section proposes:

a) to encourage the systematized development of the financial and banking business of the nation, and the safeguarding of the legal common interests of the several categories belonging to the affiliated bodies, in harmony with the general good of the country;

- b) to protect and promote the interests and claims of the banking classes through suitable action taken with Public Bodies;
- c) to provide, through a permanent advisory office, interpretation and explanation of legislative provisions that concern banking;
- d) to promote and maintain good-will among the affiliated bodies, by lending itself, at the request of the parties concerned, to settle disputes in a friendly manner, even if these are of a non-general character;
- e) to favour the study and technique of banking, the working out of banking regulations, and the study of statistics and economics.

The Statute decrees that the Banking Federation shall not work for profit (Article 5), and that its Members (Article 7) shall conform their conduct to Italian principles and national solidarity.

The Federation has no right to intervene in the business of banks, nor can it impose rules of a compulsory nature. The conduct of banks is under the responsibility of those directly interested, and the Federation can only intervene in cases which constitute a violation of the law. In such case it should report these facts to the competent bodies to be judged according to law.

We must, therefore, exclude the possibility that the Banking Federation and its organs (which are nominated in accordance with the suggestions made by the members of the organizations) can interfere with the control of the conditions of banking operations. The Fascist Government has never shown any desire to interfere in this matter, having indeed recognized that even money is a commodity which cannot be withdrawn from the influence of economic laws.

The Stock Exchange is regulated by various special laws and a Commission has been appointed to codify these laws. Owing to the rather unfavourable trend of the Share Market, caused by world depression, many proposals have been put forward regarding possible reforms of the Exchange. No action, however, has been taken by the Government, and we can safely state – especially as the time is not favourable – that the Government does not intend to apply any reform.

On the Italian Exchange, transactions are effected in cash or on term. These transactions are carried through by “calling out” in a special enclosure to which only stockbrokers and representatives of the principal banks are admitted.

During the war and the period of depreciation, various special measures were adopted consistent with the limited activity of the Exchange, but all these measures were abolished by the Fascist Government, thus giving the Share and Money Market that liberty held to be indispensable to its function.

The existence of a wide and free market of Shares and Bonds is a first condition for the development of national economy. Thus one of the first acts brought forward by the Fascist Government by the law of the 10th November 1922 was to abolish the law of the 24th Septem-

ber 1920 which made inscribed bonds compulsory and which had been passed under the Government of Signor Giolitti for fiscal reasons, for the purpose of taxing movable property more heavily. The Fascist Government justly considered that in order to develop Italian economy it was necessary to promote thrift and the flow of capital to industrial and commercial business. In order to facilitate savings, Succession Duties were abolished (a law proposed in 1923 by the Signor De Stefani), and other measures which kept away capital from being invested in Bonds and hindered free circulation were likewise abolished.

In conclusion, the programme of reconstruction of the Fascist Government has some well-defined fundamental points which have been consistently followed. These are:

- a) the balancing of the State's Budget;
- b) sound currency;
- c) encouragement of thrift;
- d) application of the principle, also in the field of banking, that "the private organization of production is a function of national interest."

# THE ORGANIZATION OF CREDIT IN ITALY

*by the Fascist General Banking Confederation.*

No periodical statement covering all the Institutions dealing with credit was issued in Italy before the year 1928. It was in that year that the series of laws (1) which provided the present regulations governing savings' banks were first applied. These regulations, issued in 1926-27 and applied during a difficult period, have very largely contributed to the consolidation of Italy's credit organization. Since the Banca d'Italia was assigned the task of supervising all institutions dealing mainly with deposit accounts, adding its practical control to the formal control already exercised by government institutions, Italy's banking system, which had not been exempt from certain plethoric manifestations during the long period of inflation, has been assisted in its adjustment by an institution peculiarly adapted for the purpose. With the aid of the Banca d'Italia, the banking system of the country has been reorganized and developed and its functions specialized, with the result that the productive organization of the country has materially improved.

Since it has become obligatory for all concerns dealing in credit to inscribe their names on the Rolls of the Ministry of Finance, and to present to the Banca d'Italia a half-yearly statement of accounts and a yearly balance sheet compiled on a uniform model that was made compulsory on January 1, 1929 (the yearly balance sheet only is necessary in the case of private bankers and private or limited partnerships), we shall shortly be in possession of such statistical data for the study of our banking system as few European countries possess; data as complete and perfect as those made possible in the United States by the creation of the Federal Reserve System.

We give below some of the important results to be expected from the growing influence of this control and supervision of Italy's banking organization.

By the foregoing general remarks we have merely wished to call attention to the importance of this new departure, which is, indeed, well known to banking experts abroad no less than in Italy, similar reorganizations, based on Italian experience, having recently been introduced in other countries.

The last published returns of Italy's banking organization show that on February 28, 1931, there were 3962 concerns dealing in credit. Of these, 1375 were banks and private bankers, 200 were savings' banks and Monti di Pietà (pledge banks) licensed to deal in deposit accounts, and 2387 were rural banks and similar institutions. It is of importance

(1) We allude principally to the Royal Decree of September 7, 1926, N° 1511, the regulation issued by Royal Decree on November 6, 1926, N° 1830, and the Royal Decree of February 10, 1927, N° 269, on the organization of Savings' Banks and Pledge Banks.



to note that the number of these concerns has been continually decreasing during the past three years; only 9 new institutions have been constituted, while 610 of those already inscribed on the Rolls have been cancelled. Of this number, 336 gave up dealing in deposit accounts; 100 went bankrupt and closed down; and 174 were merged into other concerns.

The three groups indicated below are classified into seven categories, according to the nature of the concern and the task entrusted to it in the credit organization of the country. We give the total number of each category, their aggregate capital and the sum total deposited by creditors, whether agents or holders of current accounts.

CREDIT BANKS OPERATING IN ITALY ON DECEMBER 31, 1929

(millions of lire)

		Capital (Working capital & reserve)	Creditors' deposits, whether agents or current account holders
Commercial Credit Banks . . . . .	447	4,786.3	30,803.6
People's Banks . . . . .	648	719.7	8,500.7
Rural Banks . . . . .	2429	60.5	1,311.9
Agricultural Credit Institutions . . . . .	94	53.4	112.1
Savings Banks and Pledge Banks . . . . .	140	1,029.1	17,182.4
Public Institutes and Corporations . . . . .	5	1,907.2	5,351.9
Banking Firms . . . . .	316	264.7	1,510.8
Total	4079		

Against a total capital of about eight thousand eight hundred million lire, the entire sum deposited amounts to little less than 64.8 thousand millions. From this sum must be deducted the total amount of agents' accounts (i. e., the sums credited to bankers for clearing transactions, bills remitted for collection, etc.) especially in the case of banks of the first category, among which there are four national credit banks. The savings' deposits, properly speaking, collected by the whole of these institutions, amounted to 38.4 thousand millions on December 31, 1929, against 37.7 on December 31, 1928 and 33.8 on December 31, 1927. These figures do not include deposits collected by the Post Office Savings' Bank, which has nearly 11,000 offices distributed throughout the Kingdom.

We give below the operations of savings' deposits and interest-bearing bonds for the whole of the commercial Savings' Banks, Post Office Savings' Banks, a group of ordinary banks (the four national Credit Institutes and 38 Regional Banks) and the People's Banks (the three most important: those of Novara, Milan and Bologna). The figures are for the last three years, with the addition of those for 1921, to show the progress made. Taking the lira for the latter year at its present gold value, we have calculated the index of increment for each of the five groups.

## SAVINGS' BANK OPERATIONS

(Depositors' credit account in millions of lire).

	SAVINGS' BANKS		Index gold value	Peoples' Banks	Index gold value
	Ordinary	Postal			
1921	7,630.4	8,137.6	100	565.5	100
1928	13,956.6	10,826.1	194.9	1,013.3	222.4
1929	14,600.7	11,376.4	203.6	993.6	217.3
1930	15,244.9	12,521.4	218.2	1,083.1	237.0

	Big Credit Institutes	Index gold value	Regional Banks	Index gold value
1921	2,711.0	100	2,676.8	100
1928	3,805.9	174.1	3,902.0	180.8
1929	3,901.0	177.9	3,631.3	167.7
1930	3,909.6	178.3	3,529.7	163.0

The above-mentioned concerns are divided into national, inter-regional, regional, provincial and local Banks, according to the range of their sphere of action and the undertakings they have to discharge. The local institutions are Rural Banks (institutions of the Raffeisen type), Communal Agricultural Credit Banks, and private banks, although the latter have a very different field of action, which is generally limited to the bigger money markets and connected with the work of the Stock Exchange.

Outside the Bank of Issue, which has 93 branches in the principal centres of the Kingdom, there are only four Institutions of a national character in Italy. Their total capital is 2540 millions, and they have available funds, represented by deposit accounts and credit balances of agents with current accounts, amounting to 18.8 million lire.

## CAPITAL, RESERVE AND DEPOSITS OF THE GREAT CREDIT INSTITUTIONS.

(in millions of lire).

	Paid up capital	Reserve	Total
Banca Commerciale Italiana . . . . .	700	610	1,310
Credito Italiano . . . . .	500	314	814
Banco di Roma . . . . .	200	59	259
Istituto Italiano di Credito Marittimo . . . . .	126.5	16	142.5

	Savings & current account deposits	Agents' creditor Balances	Total
Banca Commerciale Italiana . . . . .	1,360	7,051	8,411
Credito Italiano . . . . .	1,337	6,002	7,339
Banco di Roma . . . . .	459	1,696	2,155
Istituto Italiano di Credito Marittimo .	156	778	934

These Institutions are the sinews of the credit organization briefly described above. They centralize the distribution of credit to industries, regulate the financing of capital through the market and promote the expansion of the country's trade through a vast network of international relations.

# THE NATIONAL SOCIAL INSURANCE FUND

by PAOLO MEDOLOGHI, *Director General of the National Social Insurance Fund.*

The *Cassa Nazionale per le Assicurazioni Sociali* (National Social Insurance Fund) centralizes and co-ordinates numerous social activities. Indeed with the exception of the insurance against industrial accidents, the Fund administrates all the compulsory insurance schemes now existing in Italy: namely, sickness and old age insurance, unemployment insurance, tuberculosis and maternity insurance, besides controlling various special benefit schemes provided for particular classes of workers. The fund, moreover, promotes and stimulates a spirit of foresight among young people by giving its moral and financial support to the constitution of mutual funds in the schools; it contributes effectively through its financial activity to the prevention of unemployment, and also promotes and supports numerous activities of various kinds which, in the field of production and public utilities, assist the work of the Country's economic reconstruction.

The National Social Insurance Fund, instituted by the decree-law of 21st April 1919, no. 603, has continued, as a compulsory scheme, the work previously carried out for over twenty years as a voluntary assisted scheme by the National Workmen's Fund for Disablement and Old Age Pensions, and it has rapidly become a highly important institution both for the welfare of all workers for whom it was created and as a business and financial organization. The value of the total property belonging to the Fund, which amounted to 448 million lire at the end of the year 1919, had risen to 1,343 millions at the end of 1922 and amounted to 5,035 million lire at the end of 1929. Including also the assets of the autonomous provident schemes controlled by the National Fund (unemployment, tuberculosis, maternity, seamen's disablement insurance), the total amount of the financial means at the disposal of the National Fund attained at that time to 6,371 million lire.

This rapid and continuous growth of the Institution is due also to the active stimulus which Fascism, from the very beginning of its rule, has imparted in all fields to government action for the protection of the working classes. As far back as 1923, measures were taken for the co-ordination and improvement of unemployment insurance, the administration of which was transferred in that year to the National Social Insurance Fund.

At the end of 1927 the compulsory insurance against tuberculosis added to the already considerable duties of the National Fund, and to this new branch of activity the Fund devoted and devotes its most careful attention and the means at its disposal. The law providing for insurance against tuberculosis, one of the most distinctively Fascist social measures, owes its origin to the XXVIIth Clause of the Labour Charter, which pledged the State to enact compulsory insurance against vocational diseases and tuberculosis as a preparatory step to general sickness insurance.

Compulsory insurance against tuberculosis, enacted a few months only after the promulgation of the Labour Charter, by a decree of October 27, 1927, came into operation on the 1st of July 1928, and the National Fund began to extend the assistance provided for by the insurance scheme as from the 1st January 1929.

In this initial operation period of the law, the National Fund has necessarily been obliged to avail itself of the help afforded by existing sanatoriums and similar hospitals for the treatment of tuberculous patients, to the extent of the beds these institutions could spare for the insured, and domiciliary treatment was resorted to when these did not suffice. But the accelerating impulse communicated to all manifestations of national life by the Fascist regime is being felt also in this domain, and the Fund will have numerous and large sanatoriums ready in an even shorter time than that fixed by the law. In principle, it is intended to build one lowland sanatorium in each province of the Kingdom, whereas only a few, but very capacious, mountain sanatoriums will be erected. At present sanatoriums and hospitals are in course of construction, which will contain a total of over 6,000 beds.

During the year 1930 treatment in institutions and at home as well as dispensary treatment, where possible, was taken advantage of by 43,000 insured persons and 14,000 members of their families, with a total of 7,600,000 treatment-days. It may be hoped that such a substantial contribution to the fight against tuberculosis will yield very useful results, which will already be felt a few years hence.

As we have previously pointed out, Fascism has given substantial proof of its vigilant care for the welfare of the working classes, also in respect of other provident schemes, and particularly sickness and old age pensions.

Going beyond the declarations of the Labour Charter, the Government, by act of the 28th December 1928, notably increased the amount of pensions, although the rate of contributions was left unchanged. This was possible owing principally to the economies effected by the National Fund in management expenses, which were kept within very moderate limits (about 4.50 per cent. of the contributions cashed), as well as to other favourable circumstances, and especially the fact that through wise administration the investment of funds has enabled the Institution to obtain a higher rate of income than had been counted on when the technical bases of the law were framed.

The pensions allocated before the enactment of the above measure were increased in very different proportions: the lowest increase being 30 per cent, and the highest 96 per cent. This greater liberality resulted in an increase by 30 million lire in the total burden on the pension fund. The average increase of workmen's pensions arising out of the law of December 13, 1928 will amount to 30 per cent as compared with the pensions allocated under the previous legislation.

The above does not cover all the new provisions. In accordance with the population policy of the Fascist regime and following the modern trend of social insurance, which tends to benefit not only the individual but the whole of his family, the law of the 13th December 1928 introduced also a special increase of the pensions proportionate to the family charges of the insured, the pension being increased by one-tenth for every child under 18 years of age, without a number limit, so that cases are not impossible in which the amount of the pension received is twice the standard rate.

At the end of 1930, the National Fund was paying in connection with all the insurance schemes administered by it, some 245,000 pensions, corresponding to a total amount of 177 millions per annum.

In fulfilment of another promise contained in the Labour Charter, the Fascist Government, by decree-law of May 1929, extended the scope of maternity insurance, and as a result of this extension the maternity benefit was raised to 150 lire, the obligation to cease work one month before confinement was introduced and, for the period in which absence from work was made obligatory, involuntary unemployment benefit was allowed, the standard daily rate of benefit being increased by 50 centimes.

In 1930 the National Fund paid about 100 million lire under the unemployment benefit scheme. Moreover, it has contributed to the financing of public utility works, the execution of which has rendered possible a considerable employment of labour.

Besides its work in the actual insurance field, the National Fund has devoted much of its activity to the prevention and treatment of disease. It has thus instituted convalescent homes (at the Salviatino in Florence, at Orio Canavese in the province of Aosta, at Asso in the province of Como), it has afforded treatment in our most famous spas (Salsomaggiore, Sirmione, Battaglia), and has opened dispensaries for the treatment of trachoma in the districts which suffer most from that complaint. Moreover, the Fund has instituted maternity and infant dispensaries in centres where female workers are more numerous.

Lastly, the financial activity which the National Fund is carrying out in the field of public works, in accordance with the lines laid down by the Government has been extremely useful in the interests of national economy and highly beneficial to the working classes.

From 1920 up to the end of 1929 the National Fund invested 3,793 million lire in public works, as hereunder detailed:

Land reclamation, agricultural ameliorations and alterations	L.	867,945,000
Railway construction	»	1,069,000,000
Promotion of popular housing	»	398,000,000
Loans to communes and provinces	»	931,000,000
	L.	3,265,945,000

	L. 3,265,945,000
Hydro-electric and thermo-electric plants . . . . . »	122,000,000
Financing of shipping companies . . . . . »	87,000,000
Financing of air navigation companies . . . . . »	19,300,000
Financing of public utility works of special importance, as the Apulian Acqueduct, the spas of Salsomaggiore and Montecatini, industrial schools, etc. . . . . »	107,500,000
Participation in the capital of public utility enterprises (National Labour Bank, Credit Consortium for Public Utility Works, Institute of Naval Credit, etc.) . . . . . »	51,000,000
Acquisition of securities of public utility enterprises (railway bonds, bonds of the Credit Consortium for Public Works, bonds of the Relief Fund for Sufferers from Earthquakes, bonds of the Land Credit Institution, of the National Labour Bank, etc.) . . . . . »	140,700,000
	<hr/>
Total . . . . .	L. 3,793,445,000

In 1930 the National Fund displayed considerable financial activity with the object of promoting public works, particularly those which, requiring a considerable amount of labour, constitute an effective means of preventing unemployment. In that year the investments by the National Fund amounted to about 796 million lire, distributed as follows:

Railway construction . . . . .	L. 44,400,000
Land reclamation . . . . . »	316,055,000
Sea and lake transports . . . . . »	13,200,000
Popular housing . . . . . »	72,700,000
Loans to communes and provinces . . . . . »	143,300,000
Various public utilities, among which the Apulian Acqueduct (39 million lire) and the Autonomous Road Fund (105 million lire) . . . . . »	206,300,000
	<hr/>
Total . . . . .	L. 795,955,000

The figures we have given above do not call for particular explanation or illustration, being sufficiently representative of the social and economic importance of the National Social Insurance Fund, the further consolidation and growth of which will be materially promoted by the spirit of cordial co-operation which the Corporative Order has created among the productive classes. This co-operation, which has proved so efficient in promoting and improving the laws providing for the protection of workers, will be no less helpful in securing the full enforcement of social providence laws and in diffusing the understanding of the advantages deriving therefrom among the working classes.

# THE NATIONAL ACCIDENT ASSURANCE FUND

by GIULIO CALAMANI, *Director General of the National Accident Assurance Fund.*

The Cassa Nazionale Infortuni (National Accident Assurance Fund), founded by Act of Parliament in 1883 and re-organized by legal enactment of the Fascist Government on June 25th, 1926, is a State controlled Institution under the surveillance of the Ministry of Corporations, which supervises the management directly through its representatives in the Board of Management and the Executive Committee, and also through a board of auditors formed of a Councillor of the Court of Audit, who acts as chairman, and also of functionaries of the Ministry of Corporations and the Ministry of Finance.

The majority of the persons forming the management of the institution are representatives of the Employers' and Workers' Syndical Organizations and are each nominated by their respective organization, thus ensuring in the domain of social aid and welfare the smooth-working partnership of employer and employed, which alone can guarantee their reciprocal rights and the supreme interests of the Nation.

The institution is under the direction of a Board of Management and an Executive Committee. A Special Committee, nominated from among the members of the Board of Management, deals with the section for Agricultural Accident Assurance.

The Board of Management is composed of fourteen members, in addition to the chairman; two members are representatives nominated by industrial employers and two by agricultural employers; two are the representatives of factory workers (insured) and two of agricultural workers (insured); two of them are nominated by the Institutions that took part in the Convention of June 16, 1911, (approved by the Law of March 28, 1912); one is appointed by the Ministry of Corporations, one by the Ministry of Finance and one by the Ministry of the Colonies; and the fourteenth is the President of the Cassa Nazionale per le assicurazioni sociali (National Social Assurance).

The Executive Committee is composed of the Chairman, two Vice-Chairmen (one nominated by employers and one by insured workers in the manufacturing trade) and two other members selected by the Board.

The Special Committee in charge of Agricultural Accidents Assurance is composed of a Chairman, two representatives of agricultural employers, two representatives of agricultural workers (insured) and representatives of the Ministries of Corporations and of Finance.

The headquarters of the General Management is in Rome.

The Chairman and members of the Board of Management and the General Manager of the Institution are all nominated by Royal Decree.

The origin of the Cassa Nazionale Infortuni is closely connected with the development in Italy of the principle of workers' insurance.



Constituted – by a convention between the government and some of the more important Credit Institutions and Saving-banks in the Kingdom – in 1883, at a time when Parliament had not yet begun to pass laws safeguarding the rights of the victims of labour and the spirit of social providence was as yet almost unknown, even among the higher classes, the Fund has made steady and growing progress in the development of insurance, together with comprehensive studies of social and technical problems and efforts on behalf of the best possible protection of the worker's future.

The Fund was chosen in 1913 to take over accident assurance in the new dominions of Tripolitania and Cyrenaica; to these concessions were added those of the Eritrea Colony in 1922 and the Italian Islands of the Aegean in 1928.

During the war, the Fund patriotically took charge of the assurance of workers employed in the war zone, Mercantile Marine crews and prisoners of war.

Later on, the Fund was given the entire charge of carrying out in the new provinces the laws in force under the extinct Austro-Hungarian Empire, in regard to the assurance of workers against accidents.

In 1917, when accident insurance had been made compulsory for agricultural workers also, the National Fund, – by this time well prepared thanks to its vast administrative and medical organization – was given charge of this branch also for the greater part of the Kingdom, thus adding more than 7 million workers to its register of persons insured.

The Fund's disinterested action in Fiume, before that city was annexed to Italy, is not likely to be forgotten. The large financial aid given by the Fund to the local District Bank for the Assurance of Workers against Sickness and Accident, which was on the verge of failure, enabled that institution to continue its operations, thus ensuring its benefits to the workers of those regions.

In 1923, the National Government entrusted the Fund with the insurance of numerous categories of civil servants, thus rendering this class of insurance more homogeneous and more economical.

The Fascist Government re-organized the National Accident Assurance Fund by Royal Decree of May 16, 1926. Under the new Decree, the Fund has become a State controlled institution, and is to be taken as the standard type for institutions of the kind.

The present Board, which took over the management immediately after the Decree was approved, has had the difficult and responsible task of re-organizing the Institute and increasing its efficiency by a more practical system of departments and distribution of functions.

The following table shows the progressive development of the Institute's operations from 1884 to the present day. Starting from the humble beginnings of the first three years (1883-1886), we reach the important

Y E A R	SALARIES INSURED	PREMIUMS PAID IN	NUMBER OF ACCIDENTS		COMPENSATION PAID during the year	Set aside December 31 for accidents un- settled at end of working year	Other reserve funds including employ- ees' providence fund
			happening during the year	settled during the year			
1884 { 1885 } First three years of free 1886 { insurance	(1) — —	452 10,889 75,177	— 70 696	— — —	8,193 199,738	— 2,305 17,740	131 9,887 4,651
1899 { 1900 } First three years of com- 1901 { pulsory insurance after the 1898 Act	94,120,684 111,921,356 137,875,468	1,143,019 1,534,406 1,923,466	11,472 15,728 22,675	— — (2)	785,968 1,247,219 1,593,894	846,177 924,910 1,367,361	369,798 539,798 583,204
1904 { 1905 } First three years of com- 1906 { pulsory insurance after the 1903 Act	215,039,291 214,443,663 212,847,186	6,566,608 6,267,163 6,641,227	53,096 54,317 65,986	— — —	4,756,165 4,535,385 5,060,785	3,472,492 4,042,717 4,832,815	289,908 324,383 251,289
1913 { 1914 } First year of the insti- 1915 { tute's earlier reformed or- ganization and two fol- lowing years	613,408,364 592,179,970 450,325,275	11,990,640 13,278,354 15,573,102	88,018 108,904 115,411	88,445 102,516 210,452	9,701,948 10,784,963 11,348,243	5,261,622 7,407,328 8,667,104	4,847,235 1,749,736 1,772,748
1926 { 1927 } Last five years 1928 { 1929 { 1930 {	4,918,821,229 5,162,411,274 5,609,466,748 7,251,217,105 7,431,791,735	133,191,575 156,505,834 163,247,587 195,084,508 217,621,403	200,849 212,470 339,411 323,711 330,797	199,713 217,388 234,653 314,338 332,502	96,159,374 110,961,179 118,176,234 147,294,595 167,388,500	70,708,424 80,789,742 93,754,869 114,301,372 123,596,932	86,242,799 86,309,975 91,713,608 94,319,209 100,113,566

(1) In the early period of insurance this was independent of the amount of the salary.

(2) Up to 1912 there is no indication of the number of claims settled each year.

(3) The year of the Institute's second reformed organization (Royal Decree May 16, 1926, N. 853, enacted into law on June 25, 1926, N. 1269).

progress of the last five years (1926-1930) culminating, in 1930, in the enormous sum of about 7,500,000,000 lire's worth of salaries insured and about 218,000,000 lire paid in premiums, on the one side, and on the other, more than 167,000,000 lire paid out in compensation (during the year) and more than 123,000,000 lire set aside on December 31 for accidents not liquidated at the time the year's accounts were closed (Accidents' Reserve) and more than 100 million lire in other reserve funds, including the employees' providence fund. And there is no doubt that these figures will be increased by the close of the 1931 balance sheet.

By Royal Decree of December 5, 1926, the National Accident Assurance Fund is the only institution carrying on compulsory accident assurance under the *fixed premium* system. Its long years of experience and the technical ability and fairness which the Fund displays in the execution of its public function have won it the confidence of both employers and employed, as well as the support of the National Fascist Government.

Its financial progress and the bulk of its operations are evident from the figures of the 1930 balance sheet, which received the high praise and approval of the Head of the Government, who has laid down the lines for the Institute's future activities.

The Fund's medical service has steadily progressed; indeed, the service has grown beyond the strict necessities of workmen's accident insurance. According to the laws in force, the only obligation of insurance institutions is to settle and pay claims to the victims of accidents, so that the medical services of these institutions might very well be limited to the verification of the victim's condition, and as a rule this is in fact the case. The National Accident Assurance Fund, however, has organized a corps of more than 600 medical men; it has its own staff managing 6 hospitals specialized in the treatment of accidents (the most important of which is the *Ospedale Benito Mussolini* at Bologna, which is considered abroad as an unsurpassed model of its kind); it has 16 first-aid surgeries, more than 100 outpatient surgeries of various kinds throughout the working centres, and provides annually for the free housing and treatment of 4000 victims of accidents and the free medical treatment of 800,000 persons.

The National Accident Assurance Fund has published the *Rassegna della Previdenza Sociale* since 1914. This is a monthly review of social questions, law and jurisprudence, social-medical matters and insurance technique; and it has a *Specialized Library* at the offices of the General Management in Rome, which is the only one of the kind in Italy: it contains more than 15,000 volumes dealing with labour problems and problems connected with provision for the future and social aid. Among

the books are some very important publications of a medico-surgical nature dealing with trade accidents.

At the present day, at the opening of its forty-eighth year, the National Accident Assurance Fund, covering as it does two thirds of the workmens' accident risks of the whole country, may pride itself on having attained to a degree of efficiency and prestige which entitles it to be considered one of the most important organizations in the economic life of the country, especially in view of its perfect concordance with the structure and aims of the Corporative State.

# THE NATIONAL INSURANCE INSTITUTE

by IGNAZIO GIORDANI, *Director General of the National Insurance Institute.*

The *Istituto Nazionale delle Assicurazioni*, which completed its eighteenth year on the 31st December 1930, is an original and interesting institution, as now re-organized by the law of the 29th April 1923. The results achieved in previous instances by state insurance schemes, working in more or less direct competition with commercial concerns, were, in fact, by no means encouraging.

In the course of its comparatively short life, the Italian Institute has not only firmly established its position and held its own, even during the very grave crises that have travailed Italy and the world during these last twenty years, but it has become the centre, the dominating factor in the national life assurance market and won a foremost position among the insurance undertakings of continental Europe.

The National Institute may be said to occupy a unique position as an insurance concern: it is not a limited liability company nor yet a Friendly Society; it is a State undertaking inasmuch as the Italian Treasury guarantees its policies and its profits belong to the State; but its administration is entirely autonomous, and, so far as State control is concerned, its position is not very different from that of commercial companies; it is in free competition with the latter, being, however, entitled to claim the assignment of a certain proportion of each risk accepted by them and to refuse any business which it considers undesirable.

By the close of the first decade of its existence, on the 31st December 1922, the Institute was in a flourishing condition and – due allowance being made for the stage of development of insurance business in Italy – may be said to have achieved important business results. It had insured a capital of Lire 4,150,394,433 under 542,622 contracts (legal assignments included) and in 1922 recorded a business of 714,365,942 Lire. On the 1st January 1910 the sixty-one insurance companies operating in Italy had a total of about 615,000,000 Lire's worth of policies in hand. The coincidence of the foundation of the Institute and the development of life assurance in Italy cannot certainly be attributed to mere chance.

The advance made since the 1923 Act came into force is still more striking. The following figures summarizing business returns from 1923 to 1929 illustrate in a telling manner the work of the Italian State Institute of Life Assurance:

Year	Direct business		Total		Mathematical Reserves
	Number of Policies	Capital	Number of Policies	Capital	
1923	35.303	720.517.132	554.245	4.594.911.901	859.491.961
1924	48.398	1.081.337.906	621.491	5.474.216.465	1.028.736.404
1925	65.868	1.445.123.507	676.077	6.674.259.468	1.206.830.377
1926	85.238	1.651.983.363	740.852	7.935.410.701	1.386.735.581
1927	185.311	1.727.305.892	898.787	9.071.330.931	1.620.940.201
1928	92.829	1.646.196.388	933.280	10.044.261.828	1.901.807.661
1929	98.271	1.701.306.607	980.041	10.725.661.362	2.395.839.025

The notable increase in the number of contracts executed since 1925 – not counting 1927, during which year a considerable business was done in policies combined with the *Prestito del Littorio* (Littorio National Loan) – is to a great extent attributable to the business started in humbler spheres: the small policies which aim at encouraging providence for the future among the poorer classes, as practiced in other countries.

The first returns for 1930 point to a further increase of insurance. Counting the business done abroad, which is making good progress in some countries, we have reached a figure not far short of two thousand million lire: a big figure in itself, and very striking in view of general economic depression and industrial stagnation.

With its capital of about three thousand five hundred million lire, the National Institute plays a highly important part in the Country's economic life, especially in view of the big part it takes in financing works of national interest: railway constructions, land reclamation, loans to Communes and Provinces for sanitary undertakings and housing schemes, the building of dwelling houses in general, and so forth. It also invests considerable amounts in national bonds and loans secured by mortgage.

Thus the Institute fulfils perfectly all the aims which the Law assigns to it: its establishment has awakened a keen sense of the importance of insurance in the Italian public; by its direct business and by underwriting part of the risks accepted by commercial companies it acts as a moderating influence on the market, without in any way hampering the business of these concerns; while it gathers and places at the disposal of the State, of organizations formed for objects of public utility, and commercial insurance companies, a liberal flow of savings, of the greatest value for many purposes, owing to the steadiness and continuity that characterize it.

The fact that it found itself again face to face with resuscitated commercial insurance companies and obliged to work in competition with these, compelled the Institute to revise its organization both within and without, so as to render it more elastic, more agile, and more business-like. Important modifications were introduced in the territorial distribution of the General Agencies, and, by recent provision, all the directly managed agencies, including those in the most important centres, have been leased out, and it is hoped at the present stage of development that this system will yield more business at a lesser cost, especially in the popular insurance lines.

At the same time, the Administration is devoting earnest attention to improving its technical machinery and bettering policy conditions. This complex and delicate side of the business has recently been overhauled, with the result that premiums have been considerably reduced under many types of contract, and policy conditions simplified, lopped of all superfluous clauses and made more liberal towards the holders.

Under the new Corporative System of Italian society, the National

Institute has another noble mission to perform: namely, to reach and appeal to ever wider circles of the population, in order that the understanding and practice of insuring against the hazards of life may take root and develop here on the grand scale it has attained to in other countries. We need only mention the agreements recently made between the Institute and the Associazione Nazionale Fascista Dirigenti Aziende Industriali (N. F. Association of Farm Industries) and the Federazione Italiana dei Consorzi Agrari (the I. F. of Agrarian Consortiums) for the life insurance of their members.

And, lastly, the Institute is taking a leading position, well befitting a State enterprise, in all the modern lines of activity followed by the big insurance companies in other countries, and is developing extensive programs in behalf of public hygiene, with a view to improving the health and lengthening the lives of the insured. Among measures already taken we may mention the free medical examination at regular intervals of large numbers of policy-holders and the agreements made with certain of our leading health resorts and spas whereby these now grant the most favourable terms to needy policy-holders.

In this manner, the work of the Institute, which is already so valuable in the domain of social providence and national business, is being completed by activities that assimilate and link it up with Government Welfare schemes in the interest of the community.

# AGRICULTURAL CREDIT AND THE WORK OF THE NATIONAL CREDIT CONSORTIUM FOR LAND IMPROVEMENT

by ARNALDO SESSI, *Director General of the National Credit Consortium for Land Improvement.*

The Consorzio Nazionale per il Credito Agrario di Miglioramento (National Credit Consortium for Land Improvement) owes its origin to the reform of land credit legislation introduced by the Fascist Government by Royal Decree Law of the 29th July 1927 (No. 1509), its articles of association being published in the Official Gazette of the 13th April 1928. The consortium has thus been going for barely two years.

To understand its nature and functions, it is necessary to have some idea of the manner in which the business is regulated by the above cited provision.

After defining the character of credit operations in favour of land cultivation and improvement, and promoting their progressive development by suitable concessions and guarantees, the measure provides for the organization of special regional institutes charged with the task of guiding, co-ordinating, and integrating the action of local land-credit banks.

But in view of their restricted capital and endowments, the credit operations of these institutes in favour of land improvement are inevitably limited to minor operations. Hence the Act creates a central credit institute which, while itself acting independently, at the same time supplements the operations of the special regional institutes for land improvement and reclamation.

This Institute – the National Credit Consortium for Land Improvement – undertakes operations on a bigger scale than can be handled by the regional institutes under the terms of the agreement restricting the operations of the latter within the limits of local needs and their own capacity. The Consortium is in a position to meet bigger demands, since, apart from its initial capital of 270 million lire, it is authorized to issue interest-bearing bonds and debentures for a value ten times that of its capital.

How extensive and important is the function entrusted to the Consortium will be realized when we bear in mind the policy of the Fascist Government in the agrarian domain, a policy which extends from measures connected with the increase of population to the fulfilment of a progressive scheme of inland migration; from a complex programme of land transformation to the re-settlement of the country regions and the increment of national agricultural production.

Although during these first two years of its existence the Consortium may be said to have acted experimentally – both as regards its own organization and its approach to the land question and farming mi-



lieu, nevertheless it has a very good account to give of its labours, as expressed in the concise but eloquent language of numbers.

The Consortium has had to grapple with many difficulties in examining promptly and carefully the huge mass of applications that pour in to it, ascertaining the technical feasibility and economic advantage of the works for which loans are asked, and preparing a suitable form of contract to cover the agreements made to finance them, while at the same time making sure that the works are executed in a manner consonant with the aims of the credit-scheme no less than with the interest of the borrowers.

Its task is, indeed, very different from that of an ordinary credit business, involving as it does wise technical and financial assistance to progressive and productive private works, indissolubly connected and closely coordinated with national economic interests.

Careful sifting of applications and rigor in granting them are necessary in applying these criteria and are a safe pledge that the national savings, invested through this medium in behalf of agricultural progress, will prove a sound investment for the individual and the community at large.

LOANS GRANTED 1928-1930 DISTINGUISHED WITH RESPECT TO REGIONS  
AND PURPOSE.

	Rural Buildings	Land systemization	Roads	Irrigation and electro-irrigation Plants	Crops
Northern Italy . .	75,667,000	23,901,000	7,778,500	69,888,500	21,448,000
Central Italy . .	9,177,000	33,410,500	10,648,500	15,522,000	19,384,000
South Italy . .	40,673,000	16,853,042	9,381,000	22,405,575	21,589,000
Total Lire	125,517,000	74,164,542	27,808,000	107,816,075	62,421,000

The Consortium counts both on financial institutes and private investors to display interest in this valuable national enterprise by purchasing the securities issued by it. These are fully guaranteed not only by the Consortium's big capital, which increases year by year, by mortgages and equivalent guarantees that back the operations, by state competitions, the interest paid on the loans, and the expenditures made in connection with the works for which they are granted, but also by the marked increment in the value of the land itself due to the improvements carried out.

For these reasons the Consortium's 6% bonds have already found a ready market, and there is little doubt that the demand will grow

in a measure corresponding to the progress of land improvement and reclamation work.

It is difficult to foresee what proportions these works may assume, but the data already available for applications sent in and loans granted are promising for the future. Altogether this is certainly one of the most far-seeing and important efforts for land improvement, that forms so important a part of Fascist rural policy.

# THE NATIONAL LABOUR BANK

*by the Direction of the Institute.*

The Banca Nazionale del Lavoro, a Public Utility Credit Institute, is the most typical creation of the Fascist Regime for extending credit to finance enterprises of social importance.

It is the credit organism devised by the Government to coordinate and strengthen the Nation's economic forces, sanctioned by the Labour Charter. The statutory rules of this important semi-official credit bank are contained in the Royal Decree Law of the 18th March 1929 (No. 416) which transformed the old Istituto di Credito per la Cooperazione into the Banca Nazionale del Lavoro.

This Law, which establishes the Bank's position as a Public Utility Institute of Credit, defines its aims of public interest conforming to the principles laid down in the Labour Charter, and funds its capital in the amount of 160,000,000 lire, in addition to a 2,000,000 lire reserve fund. It is the result of four years' far-seeing and untiring work on the part of the Bank's management; a work which has freed the Institute from the scum of an inglorious past (during which it squandered, under the pressure of anti-nationalist parties, the greater part of its means on behalf of parasitical and anti-economic organizations), and has gradually transformed it from being an institute of ill-conceived political charity and assistance into a bank regulated by strict economic principles and organised on sound business lines.

The limited circle of co-operative societies which, in different ways, absorbed, through the channels of the Bank, millions and millions of lire from the State coffers, has made way for the vast clientèle of the whole class of producers, whether organized in Companies or Consortiums, or engaged in private enterprises, so long as they carry on some productive activity of value to national economy.

Agricultural credit has been effectively stimulated by the modalities prescribed by the present legislation, and effective business assistance afforded to the institutions created by the Corporative State (Confederations, Unions (Sindacati) and Welfare institutes connected therewith) in obedience to the principles laid down in the Labour Charter and the policy of the Government and more particularly the Ministry of Corporations, to which the Bank is associated in its aims, and with which it is required to work in close collaboration, so as better to assist the activity of the syndical, corporative, and welfare bodies that depend on it.

Provided that it does not in any way jeopardise the bases of its business equilibrium and that it remains faithful to the aims and purposes assigned to it by the law, the Bank may finance on generous terms any welfare or syndical institutions or bodies of the Regime and extend small credits in favour of deserving categories of workers (soldiers, disabled men, artisans, etc.).

It promotes, moreover, as vigorously as possible the Government's marketing policy, granting credits to producers of staple foods and doing the banking service of the important provision markets of the principal towns.

It performs important banking services for public concerns, corporative organizations and big industrial companies, and receives a great number of deposits, a sure proof of the increased confidence of the thrifty public and of the sound administration of the Institute.

True to the Government's policy, the Bank has undertaken an efficacious work of penetration among our populations of foreign stock so as to open the way for valuable activities in the field of agricultural credit in our frontier regions, rich in busy farmlands; absorbing the Trieste and Gorizia branches of the Banca di Lubiana. It has, moreover, taken part in founding the Banca delle Marche e degli Abruzzi, contributing efficaciously to the integration and supervision of this new bank.

We give below a few figures reflecting some aspects of the business during the 1930 financial year, which show the progressive development of the Bank and the brilliant results achieved by its efforts:

#### Deposits received

Up to 31-12-1926 . . . . .	Lire	90,950,600
» » 31-12-1927 . . . . .	»	152,431,200
» » 31-12-1928 . . . . .	»	247,082,000
» » 31-12-1929 . . . . .	»	265,402,600
» » 31-12-1930 . . . . .	»	307,930,262

The amount of credits to clients amounted on 31 December 1929 to 316,817,147 Lire, of which 28 % (Lire 87,400,000) was lent to co-operative agrarian societies, land reclamation consortiums, collective holdings, private farmers, etc., 20 % (L. 29,800,000) to public and self-governing bodies, 41 % (L. 131,800,000) to concerns, companies, and private persons whose production is of national interest; 4 % (L. 13,200,000) to syndical and welfare organizations, and 17 % (L. 14,800,000) to working and building co-operative societies, co-operative stores, etc.

In 1929, 5810 operations were authorized for a total of 452 million lire, an increase of 80 millions on those of 1928 and of 184 millions on those of 1927.

In 1930 circular cheques were issued for Lire 635,000,000 on account of the Bank of Italy, the Bank of Naples, and the big joint stock banks, an amount exceeding by 40 million lire that of 1929, which was almost double that of the 1928 and four times that of 1927.

The list of the bank's correspondents has been extended and revised, and among the many services undertaken special mention is due to those of the Compagnie Portuali (Harbour Companies), the Opera Nazionale Mutilati e Invalidi (National Institute of Disabled and Mutilated Men), and the collecting services of the Associazione Nazionale fra i Con-

sorzi di Bonifica e di Irrigazione (Nat. Assn. of Consortiums for Land Reclamation and Irrigation) which the Bank has taken over, so as to assist the great national enterprise for reclaiming and improving the land (*bonifica integrale*). In consequence of the development of all these services the business turnover has risen from L. 8,769,435,038 in 1929 to Lire 9,624,731,393 in 1930, an increase of close on one thousand million lire; while the accounts turnover has risen to Lire 23,195,607,082.

AUTONOMOUS SECTION FOR LAND CREDITS

Side by side with the Labour Bank and connected with it, there is a powerful organization to extend credit on land: the Sezione Autonoma di Credito Fondiario, instituted by R. Decree Law of the 2nd December 1923, a corporate body with its own capital and a separate management from that of the Bank.

	Loans subject to conditions		Loans amortizing		Certificates issued	Certificates drawn
	Nº.	VALUE	Nº.	VALUE		
Operations taken over from the former Agricultural Credit section . . . . .	68	135.019.000	54	113.105.500	71.246.000	336.500
Operations between 1924-1926.	43	48.454.000	32	48.489.000	61.401.500	1.618.500
Operations matured in 1927 .	18	16.715.000	25	20.002.000	7.400.000	1.171.500
Id.    Id.    in 1928 .	48	100.611.000	23	38.481.000	66.856.500	1.500.500
Id.    Id.    in 1929 .	84	97.535.000	81	58.764.500	75.826.000	2.185.000
Operations matured by 31 March 1930 . . . . .	20	18.175.000	18	20.306.000	22.000.000	1.579.000
<b>TOTALS</b>	<b>281</b>	<b>416.509.000</b>	<b>233</b>	<b>299.148.000</b>	<b>304.730.000</b>	<b>8.391.000</b>

On 31st December 1930 the Section had outstanding loans for Lire 344,745,097,109; of these loans for Lire 86,405,000 matured in 1930. 88 operations were authorized, for a total value of 60,489,500. The outstanding certificates on the 31st December 1930 amounted to Lire 323,596,500, of which Lire 52,830,000 were issued in 1930.

# INSTITUTE OF CREDIT FOR PUBLIC UTILITY UNDERTAKINGS.

The Istituto di Credito per le Imprese di Pubblica Utilità was constituted by the Fascist Government by Decree Law of the 20th May 1924, enacted into Law on the 17th April 1925.

Its purpose is to grant loans for carrying out works and installing plant of recognized public utility, such as the production and transmission of electric power, communication services, aqueducts, town locomotion, etc.

The loans may be granted only to Companies and private firms of Italian nationality. They are secured by mortgages on the plant and works executed and have a privileged claim on the income accruing from them. This privilege is second only to the State's fiscal claims.

The Institute's capital consists of 100,000,000 Lire, subscribed by public institutions authorized to accept deposits and savings or exercising insurance, by savings banks, and private life insurance companies. It is under the supervision of the Ministry of Finance.

At the close of its last working year, on 31st December 1930, the Institute, after five years' operation, had granted loans for about one thousand million lire.

The loans granted consisted of 873,680,000 Lire, advanced to hydroelectric power undertakings or undertakings for the transmission or distribution of power, and 100,000,000 lire to concessionaires of telephone services.

Some of Italy's leading electrical companies and most important telephone companies have availed themselves of these loans.

On 31st December 1930, the Institute had issued bonds circulating on the Italian market for 383,892,500 Lire and bonds placed on the New York market for 18,377,500 dollars.

The organization of the Institute is on simple lines and its work has been very efficacious, especially in financing Italian electric undertakings.

The cost of administration has been kept within strict limits, not exceeding 33 centimes for each thousand lire of capital loaned, as proved by the Institute's last balance-sheet.

On the 31st December 1930 the business had constituted a reserve of Lire 14,408,952.74, equivalent to about 50 % of its paid-up capital of thirty million lire.

The Institute's bonds have a big sale both in Italy and abroad.

## CREDIT SYNDICATE FOR PUBLIC WORKS

The Consorzio di Credito per le Imprese Pubbliche is a public Credit Bank with head-quarters in Rome, with a capital of 102,000,000 lire, of which 61,200,000 are paid up.

Its purpose is to grant loans for carrying out public works secured by the payment of yearly contributions by the Government or tax offices, the collection of which enjoys the same privileges as that of direct taxes.

The Syndicate is a corporate body with its own administration, under the surveillance of the Ministry of Finance.

The loans are made against the issue of bonds on the home and foreign markets. By the 31st December 1930 the Institute had granted about one thousand million lire's worth of loans.

The sums borrowed were used for the works specified in the following table:

DESCRIPTION OF THE WORK	Amount of Loans
a) Reclamation, Irrigation and Hydraulic Works . . . . .	362.806.024,46
b) Railway and other Constructions . . . . .	141.645.281,26
c) Hydro-electric Plant . . . . .	124.154.945,67
d) Diverse works carried out by the Communes and Provinces	634.736.500,—
e) Colonial undertakings . . . . .	100.000.000,—
f) Subsidised Shipping Companies (including issue of bonds on New York and London) . . . . .	476.609.712,50
g) Buildings for War Disabled and Mutilated, guaranteed by the State . . . . .	74.916.499,88
h) Mining Plants . . . . .	23.524.484,10
<b>TOTAL . . . . .</b>	<b>1.938.393.447,87</b>

At the time of the Association's last balance-sheet, bonds for a value of 1,162,648,000 lire were in circulation on the Italian market, for a value of 9,756,000 dollars on the New York market, and £ 1,322,300 on the London market.

The constant aim of the Administration has been to direct the amounts accruing from the sale of the bonds to works of benefit to the national revenue or calculated to promote conditions likely to enhance the Country's productive activities.

On the 31st December 1922 the loans amounted to only 174,232,353.52 lire, and the bonds placed to 120,802,500. When the last balance sheet closed on 31st December last, none of the instalments due on the loans were in arrears and the Administration had been able to build up a reserve of 31,112,671.38 lire, equivalent to over 50 % of its paid up capital.

The organization of the business is singularly elastic, management expenses small (during the last financial year they amounted to only 25 centimes per thousand lire loaned), and there are plenty of opportunities for an extension of the Syndicate's work. Its bonds find considerable favour on the home and foreign markets.

## THE ITALIAN FEDERATION OF AGRARIAN CONSORTIUMS.

The *Federazione Italiana dei Consorzi Agrari* was founded at Piacenza in 1892 with an initial membership of a few organizations and some thirty individuals. The record of its first business year is as follows:

1893: 65 members; Capital and Reserves, Lire 12,895; Produce sold, Lire 711,147.

37 years after its foundation it registered the following:

1929: 813 members; Capital and Reserves, Lire 4,760,566; Produce sold, Lire 371,132,418.

The success of the Federation is sufficient proof of its practical value to our farmers. It has contributed largely to the improvement of agriculture by promoting modern technical methods, assisting in land campaigns, and encouraging enterprise in farming by furnishing collectively machinery, fertilizers, seeds, fodder, and anti-cryptogams. It has always favoured sound co-operation, which views capital as a necessary instrument of trade, in its turn viewed not merely as a means of obtaining a big return for capital.

The Italian Federation of Agrarian Consortiums is constituted as a limited liability co-operative society, the share capital of which belongs to the associations forming it. Hence its function is not only to co-ordinate and direct the activities of the consortiums, but it is in fact directly formed by them.

Its business is mainly commercial, namely the collective purchase of materials required for farming and the distributions of these to the federated associations.

The scale of the Federation's business is demonstrated by the percentage of the sale of fertilizers negotiated through its medium to Italian farmers: considering potash fertilizers only, this rose from 34 % of the total consumption in 1924 to 50 % in 1929.

In addition to business of this kind, the Federation, in association with various groups of agricultural consortiums, has organized a healthy nucleus of Super-phosphate Co-operative Factories, to which it supplies the necessary raw materials, imported direct by its own steamers from Tunisia and Egypt.

These factories, which at the present moment number eighteen, and have an output capacity of 400,000 metric tons, as against Italy's total capacity of two million tons, are not only one of the most original co-operative creations in the industrial domain, but are the surest defence our farmers have been able to raise against the dangers of a monopoly of the industry of chemical fertilizers.

The ever growing importance of the Federation's commercial activity is clearly shown by the index numbers of its sales.



Taking 100 as the amount of sales in 1924, we have the following figures:

1924 =	100 —
1925 =	103.50
1926 =	125.90
1927 =	102.85
1928 =	140.27
1929 =	153.90

The Federation also does a considerable business in agricultural machinery, and devotes much interest to the increment of motor-culture, which it promotes in collaboration with the *Sezione Uenti Motori Agricoli* of the Fascist National Confederation of Farmers.

In 1927 the Federation tackled the problem of the exportation of fruit and market garden produce, setting up a specialized section which does business through its own offices in Italy and abroad. The special task of this section is to co-ordinate the commercial efforts of the fruit and market garden co-operative societies that are being formed and to market their produce in Italy and abroad. It further supplies selected seeds to farmers with a view to improving the standard of their produce to meet market demands.

The business of the Section is steadily increasing: from 700 truck-loads of produce exported in 1927 it advanced to 2,000 truck-loads in 1928 and to over 4000 in 1929.

The standardized packing system introduced by the Federation, the care bestowed in putting up the produce and its reliability in all particulars have won the favour of foreign markets and more especially the German market.

Side by side with its commercial activity, the Federation of Agrarian Consortiums is very active in its efforts on behalf of sound publicity both at home and abroad. It sees to it that no opportunity is missed to make Italian produce better known at Italian and foreign fairs and exhibitions.

It lends a helping hand to all the experimental institutes, especially those for the cultivation of wheat seeds, market garden and forage plants and crops of industrial interest; each year it holds courses for training farmers in the use of motor ploughs in the more important Italian centres and associates itself with all initiatives aiming at the technical instruction of farmers and peasants.

The trade movement of which the whole organization of Agrarian Consortiums is the centre records sale returns of one thousand five hundred million lire. This shows what an important part the Federation plays in the agricultural business of our Country, especially when we reflect that 50 % of the sales are made on credit, according to different

systems, subject to constant revision and improvement to adapt them to the practical needs of the farmers.

The Federation is closely associated with the National Fascist Confederation of Farmers; the latter's efforts on behalf of national agriculture being integrated by the commercial activity of the Federation of Agrarian Consortiums,

The participation of agricultural workers in the management of the Federation and of the agrarian consortiums has stamped these with a more complete and up-to-date character. The policy of the Corporative State is fully expressed in the intimate fusion of principles and practical achievement, and this will undoubtedly bring a most valuable contribution to the solution of the outstanding problems of Italian agriculture.

# THE INDUSTRIAL GROWTH OF FASCIST ITALY

by ANTON STEFANO BENNI, *Deputy, President of the Fascist General Confederation of Italian Industries.*

The progress achieved by Italian manufacturing industries since the advent of the Fascist Government is clearly shown by the data we here purpose to set forth as simply as possible, abstaining from all comment not strictly required for their right interpretation.

The significance of the figures for Italian industrial development is clear and indisputable. It might be said that during the years from 1922 to 1929 a notable increase of economic activities occurred not only in Italy but the world over, accompanied by the marked development of industrial and agricultural production: so much so that the anxiety aroused in the first post-war years by the scarcity of products has since given way in most cases to a critical situation arising from the directly opposite cause, and revealed by the persistent excess of supply as compared to demand, accompanied by the rapid fall of prices in almost all countries.

It may also be said that a comparison of the present situation with that prevailing in 1921-22 gives an exaggerated impression of the progress achieved, as after the trade depression of 1930 industrial output touched its lowest post-war level in almost all countries in the years 1921 and 1922.

But if these points should be considered so as to avoid an exaggerated estimate of the headway made, they in no way detract from the exceptional importance of the results secured by Italy in the last seven years.

These results cannot be measured merely by the increase in Italian industrial and agricultural production since 1922, an increase which is of course but a beginning, for the economic reactions of a political revolution are only perceived in their true perspective after a long interval of time. Although the Fascist Revolution announced itself from the start as the restorer of social order and productive activities, the results so far achieved in the economic field do not evidently exceed the limits of a brilliant recovery, a vigorous affirmation of the vital forces of the Nation, which has escaped at last from the stifling atmosphere of disorder characteristic of the first post-war years in Italy.

Fascism performed the miracle of bringing the nation to a halt on the very edge of the precipice down which it was about to fall, leading it along the path to prosperity and progress and healing rapidly and thoroughly the political and social sores from which it was suffering. By no other means would it have been possible to secure the brilliant recovery of economic and more especially of industrial activities recorded since 1922.

The conditions prevailing in Italy when the Fascist Régime opened

were such that if the country had merely succeeded in placing itself on a footing of equality with the other nations in the progressive growth of its business activities the achievement would already have been a considerable one. But there are good reasons for believing that at least as regards industrial production the results obtained in Italy exceed those obtained in a like lapse of time by other nations much wealthier and better equipped for the task.

This impression is fully confirmed by the statistics for the first three years (1923-25) of the Fascist Régime. During the next few years currency revaluation and the effort at readjustment it required of the country first caused a shrinkage in industrial output and then checked the rate of growth. Nevertheless it seems not unlikely that when all the index numbers of industrial production are available for 1929 and 1930 they will again show the more rapid rhythm of our industrial progress.

The following table shows the index numbers for industrial production calculated by the French statistician, Jean Dessirier, for Italy, France, Germany, Great Britain, and the United States.

INDUSTRIAL PRODUCTION INDEX NUMBERS  
(1913 = 100)

	1921	1922	1923	1924	1925	1926	1927	1928	1929
Italy . . . . .	69	81	91	103	130	127	114	120	142
France . . . . .	55	78	88	109	108	124	109	126	139
Germany . . . . .	78	89	56	80	94	90	117	117	111
Great Britain . . . . .	63	79	84	89	86	67	92	89	96
United States . . . . .	97	127	152	141	156	163	160	168	178

Dessirier's index numbers do not go beyond 1927. We have brought them up to date by calculating the figures for 1928 and 1929 on the same basis used by him.

In 1929 the production index numbers for Italy as compared to those for 1922 show approximately a 75 % increase as compared to 78 % for France, 24,7 % for Germany, 40 % for the United States and 21.5 % for Great Britain.

An examination of the figures for exports of finished manufactures points to yet more reassuring conclusions, for they afford a significant index to the industrial growth of the several countries.

EXPORTS OF FINISHED MANUFACTURES  
(thousands of dollars)

	1922	1929	Index numbers (100 = 1922)	1930	Index numbers (100 = 1922)
Italy . . . . .	148,634	336,327	+ 226.3	258,080	+ 173.63
France . . . . .	1,005,554	1,238,784	+ 123.2	1,054,270	+ 104.84
Germany . . . . .	1,226,061	2,355,845	+ 192.2	2,030,557	+ 165.
Great Britain . . . . .	2,516,515	2,771,615	+ 110.2	2,137,190	+ 84.90
United States . . . . .	1,292,307	2,532,000	+ 195.9	1,995,660	+ 154.40

We have converted all the figures into dollars so as to eliminate the influence of the different level of exchange rates in the two years under consideration, and avoid the appearance of wishing to disguise the relative smallness of our exports when compared to those of the major industrial countries. Let us add that the higher percentage increase of our exports of finished manufactures is perhaps partially due to the relatively low figures. But when all due allowances are made for considerations detracting from the importance of the results achieved, the spectacle afforded by our country in the last eight years is truly admirable and unusual when we bear in mind her scanty natural resources, the lack of capital, the liability to natural misfortunes (earthquakes, floods, etc.), the way in which she has been the victim of the concatenation of historical events, to all of which she has opposed those imponderables which so often decide the destiny of nations: a country thousands of years old yet always young and able to bring forth, when the hour strikes, the men essential to her perennial rebirth and to the attainment of her high destinies.

Even during the crisis of last year which depressed economic activities in all countries, Italy succeeded in a large measure in safeguarding the advantages so far secured, and in spite of inevitable shrinkage she is still the nation whose exports of finished manufactures show the largest increase when compared to those of 1922.

As already stated, we shall not enlarge on the growth of Italian industry in these first eight years of the Fascist Régime, but leave the figures to speak for themselves.

Unfortunately figures are not available to enable us to follow the growth of all products. Those at our disposal however afford at least an approximate idea of our industrial progress.

Leaving on one side the indirect data bearing witness to this growth, such as the increase in the capital invested in joint stock companies engaged in manufactures, the increased consumption of fuels and electric power, and the larger imports of industrial raw materials, we will confine ourselves to the growth of production, beginning with the mining industry, whose importance in Italy is unfortunately all too small, but which is nevertheless the oldest industry, sharing with agriculture the honour of laying the foundations of human civilization.

Of Italian minerals the most important are sulphur, lead, zinc, mercury, iron, pyrites, iron and fuel ores and marble. The respective output in 1922, 1929, and 1930 is shown, in metric tons, in the following table:

	1922	1929	1930
Sulphur . . . . .	190,045	323,835	349,450
Lead and zinc . . . . .	125,574	230,490	186,000
Mercury . . . . .	1,541	1,998	1,925
Iron pyrites . . . . .	486,000	664,543	713,500

	1922	1929	1930
Iron ores . . . . .	311,214	715,171	716,590
Fuel ores . . . . .	946,230	1,005,393	785,000
Marble . . . . .	361,441	557,376	492,775

Although in the last two years the output for some of these has fallen off as compared to the maxima obtained in 1926 and 1927 yet none (with the exception of fuels adversely affected by the fierce competition of foreign coal) have fallen below the 1922 level and for most the output in 1929 was much higher than in 1922. In 1930 the level was maintained and, indeed, in some cases the figures were higher than for the previous year, notwithstanding the prevailing crisis.

The iron and steel industry can also point to a really notable growth both for pig-iron and steel, as shown by the following figures (in metric tons):

	1922	1929	1930
Pig-iron . . . . .	157,559	678,491	534,293
Steel . . . . .	1,045,995	2,142,765	1,774,090

Notwithstanding the inevitable reduction caused by the depression, the output of pig-iron in 1930 was 200 % higher than in 1922 and for steel there was a 70 % increase.

Yet more marked has been the increase in the case of the non-ferrous metals such as lead, zinc, and aluminium, as shown by the following figures (metric tons):

	1922	1929	1930
Lead . . . . .	10,709	22,668	24,263
Zinc . . . . .	3,082	15,722	19,031
Aluminium . . . . .	810	7,036	8,000

The output of these metals, still in the growing stage, is thus seen to have been steadily increasing.

We are unable to give definite figures for the engineering trades. We can, however, point to the fact that exports have risen from 443 million lire in 1922, to 878 million in 1929, and 750 million in 1930; their nominal value has thus increased nearly twofold, and the volume has undoubtedly increased threefold when the higher purchasing power of the lira and the lower price level of 1929, and more especially of 1930 as compared to 1922, are taken into due account.

This growth of exports not only points to the larger output of the Italian engineering trades but also to the improved quality of the goods and to the better technical organization of the factories, which has enabled them to compete successfully on foreign markets where the struggle for outlets grows ever fiercer. We need hardly refer here to the magnificent results secured by the automobile industry, by that specializ-

ing in electric materials, and by several other very important branches of the Italian engineering trade. The most significant index to the progress made by the automobile industry is that of the growth of exports, which have risen from 11,372 cars in 1922 to 23,700 in 1929 and to 20,737 in 1930.

The growth of the chemical industries has been no less rapid and brilliant. The figures given below afford only a general idea of the increased volume of production. But the persistent and methodical way in which this industry has laboured to complete its output so as to cover the full gamut of products and emancipate Italy from the dangerous dependence on foreign supplies to which the war called attention, is of even greater interest.

	1922	1929
Mineral acids . . . . . tons	738,760	1,290,000
Alkalis . . . . . »	84,900	230,000
Explosives . . . . . »	2,018	3,812
Compressed gasses . . . . . C.m.	3,500,000	10,490,000
Synthetic dyes and intermediate products . . . . . tons	6,613	14,900
Mineral paints and colors . . . . . »	24,600	39,000
Nitrogenous fertilizers . . . . . »	41,150	250,000
Hyperphosphates . . . . . »	947,605	1,505,000 (1)
Copper sulphate . . . . . »	84,000	73,000
Tan extracts . . . . . »	45,000	61,500

As it is not possible to give data for all the products manufactured by the chemical industries, the list of which includes several hundred items and is growing from day to day, we have referred above only to some basic products at the head of which we have placed mineral acids, whose output is generally considered as indicating the development of the whole chemical industry. As the figures show, the output of these acids has risen from less than 750,000 metric tons in 1920 to nearly 1,300,000 in 1929, so that roughly speaking the chemical industry has doubled its output in that period. This first approximation is very generally confirmed by the figures for the several products.

Another of Italy's key industries is the electrical, and here again we can point to most notable growth. The number of power stations has risen from 478 in 1922 to 1072 in 1928 and the installed power from 1,579,000 Kw. to 3,548,000. It is estimated that in 1929 and 1930 the installed power has increased by a further 700,000 -Kw, and that it now approximates 4,200,000 kilowatts.

If we turn to the textile industries, of prime importance among Italian manufactures, the following figures give a fairly approximate idea of their growth.

(1) 1927.

<i>Cotton industry</i>		1922	1929	1930
Spindles . . . . .	N.	4,514,000 (1)	5,395,000	5,480,000
Twisting d <sup>o</sup> . . . . .	»	677,061 (1)	780,146	780,146
Power looms . . . . .	»	122,506 (1)	150,000	150,000
Output of yarn . . . . .	Tons	154,300	213,156	176,825
D <sup>o</sup> of fabrics . . . . .	»	68,052	150,720	124,440

<i>Woollen industry</i>		1922	1929	1930
Combers . . . . .	N.	437 (2)	680	—
Woollen spindles . . . . .	»	520,000 (3)	600,000	—
Worsted d <sup>o</sup> . . . . .	»	435,000 (4)	560,000	—
Power looms . . . . .	»	?	21,000	—

It should be noted that in the cotton industry the increased output of fabrics is proportionately much higher than that of yarns. This points to the care taken of recent years to complete equipment so as to carry out all the processes called for by the imported raw materials.

The remarkable growth of the woollen industry is only partially shown by the data for mills and equipment.

Notwithstanding unfavourable conditions due to the intensified Asiatic competition, the silk industry has made considerable progress between 1922 and 1928.

In the manufacture of rayon, Italy has made quite extraordinary progress and now holds the second place among producing countries, ranking next to the United States with an output of nearly 30 million kilograms, whereas in 1922 she was at the bottom of the list with an output of barely 3 million kilograms per annum.

We could prolong this survey considerably without fear of wearying the reader, for the dryness of the figures is offset by the comforting spectacle they afford of flourishing activities, incessant effort, and success secured in the face of great difficulties.

But lack of space compels us to interrupt this account of the manufacturing progress achieved by Fascist Italy, for a brief reference to the part played by the General Fascist Confederation of Italian Industries during the period under consideration.

And here again we can only just point to some leading facts, without going into details and giving illustrations which would require too much space, and would moreover be superfluous, for the Confederation has always worked in close connection with the public administrations, faithfully following the lines laid down by the Government, so that an adequate idea of its policies can only be obtained by viewing them as part of the economic and financial policies of the Fascist Régime.

Here we will only say that the General Fascist Confederation of Industries was organized about a year after the end of the Great War, in the most troubled and dangerous period for our Country, when it

(1) 1921 - (2) 1920 - (3) 1918 - (4) 1919.



seemed as though the forces of disintegration might prevail at almost any moment over the sound energies working for reconstruction. The Confederation lived through all the anxieties of those years which taught lessons not easily forgotten and determined the trend of its activities. It was then that amidst the stormy agitations of opposing parties, when disorder was spreading and old and new ideologies were being wrecked, the Man of Destiny boldly laid the foundations for the national revival which were shortly to triumph with the establishment of the Fascist Régime. Under these circumstances it was only natural that the Confederation of Industries found itself from the start in the front line of the Fascist movement for the restoration of order, the economic rehabilitation of the country, and the return to conditions essential for the profitable expansion of productive enterprise.

The basic principles adopted from the very first by the Fascist Regime and ably developed with the establishment of the new syndical and guild ordinances, have been faithfully followed by the Confederation of Industries, which has always conciliated the due protection of the categories it represents with the superior interests of the Nation. While promoting, as in duty bound, the expansion of Italian manufacturing industries, it has never endorsed claims which it considered either unjustified or excessive, and it has never once ceased from fostering and infusing in its members a sound spirit of self-reliance, for it is convinced that the ever fiercer competitive struggle between the nations for securing advantageous positions and defending those already occupied calls for more courage and audacity than are required for success in the field of politics, and it is vain to hope for victory unless one is prepared to make any sacrifices to attain the ends in view.

Italian industry has a particularly difficult task to accomplish, not only because of the scarcity of raw materials produced in the country, but also because of the limited purchasing capacity of the home market, the insufficiency of capital, and the many deficiencies in the banking and commercial organization it is dependent on, especially as regards export trade, deficiencies in large measure due to historical and economic conditions rather than to any incapacity or lack of enterprise on the part of the classes concerned.

Under these conditions there can be no doubt that Italian manufacturing industries can only hope to succeed in the face of ever fiercer international competition if they can count on home conditions favourable to their expansion and if they can succeed in improving their economic equipment, forestalling, whenever possible, the improvements introduced by competing foreign industries and never allowing themselves to be outdistanced.

With this end in view the Confederation of Industries has steadily been guided in its action by consideration of future rather than of immediate needs, giving greater importance to the problems of expansion

and its subsequent possibilities rather than to the contingent needs of of the moment.

The reports published periodically by the Confederation, of which there are already a considerable number, afford detailed evidence of this action and of the policies inspiring it, but it would be impossible to recapitulate them here however briefly. Suffice it to say that besides work in the field of wage agreements, the discussion of fiscal and customs questions, and of those relating to commercial and administrative legislation and the transport system, the Confederation has undertaken a full program of welfare activities affecting the standard of living of the workers, the improvement of the technical and administrative organization of the factories, and the coordination of their activities within the general frame-work of national needs.

The results secured in all the fields dealt with are well known and afford the Confederation just cause for satisfaction. But it is only right to emphasize the fact that just as Italy is in the front rank of civilized nations in the field of social legislation, both as regards relations between capital and labour and as regards social insurances, so she likewise holds a foremost place among the countries in which manufacturers have distinguished themselves by voluntary initiatives on behalf of their employees.

Much good work has also been done in improving technical and administrative organization, and the Confederation prides itself on its participation in the foundation of the National Corporation for the Scientific Organization of Work (E. N. I. O. S.) and of the National Corporation for a Standardization of Industry (U. N. I.), and on the encouragement it has given to timely understandings between manufacturers whenever they appeared to correspond to the best interests of the industry and the Nation, strengthening among the parties thereto the spirit of mutual aid and self-imposed discipline while encouraging the spirit of enterprise and the tenacious determination to secure success at all costs.

It is hardly necessary to point out that such action is fully in keeping with the needs of Italian economic life, nor need we insist on the importance and difficulties of the task incumbent on Italian industry, and on the Confederation as its authorized representative, especially during the present depression, with its possible developments so keenly felt the world over.

It is difficult at this time to determine whether the present economic crisis is due to overproduction, or to the appreciation of gold, or to other causes. Its fundamental characteristics are however easily identified: a general fall in the prices of the leading raw materials, the consequent demoralisation of the markets, the reduced purchasing power of large sections of the world's population, the difficulty encountered in placing finished manufactures notwithstanding large price cuts,

a difficulty partly due to the well-known fact that in times of falling prices purchasers stand aside in the expectation of further cuts, only buying to meet immediate needs. The fall in the price of agricultural products has also had serious consequences for industry, as it has reduced and in some cases annulled the ability of the rural population to purchase the products of industry, and also because it has radically modified the reciprocal exchange relations between agricultural and industrial products, entailing a new and laborious process of adjustment. All these are conditions affecting the world as a whole.

Italy, as we have already said, cannot hold herself aloof from this situation. And, indeed, the whole nation, – farmers, manufacturers, merchants and bankers – are holding their positions firmly.

Difficulties to overcome are often the means of strengthening those who have to meet them, and we are confident of recovery, especially as we feel we can count on the steady support of the Fascist Government, which is always endeavouring to increase the productive power of Italian industry.

# HYDRO-ELECTRIC DEVELOPMENT IN ITALY

by GIUSEPPE VOLPI DI MISURATA, *Senator, Minister of State.*

HYDRO-ELECTRIC EQUIPMENT IN ITALY. — We can say with pride, as Italians and Fascists, that the hydro-electrical undertakings in Italy are among the most progressive in the world, and, if they are considered in relation not to the actual wealth and population but to the relative per capita wealth and economic status of our country as compared to others, they perhaps entitle us to rank ahead of all others.

I say with pride as Italians, because ever since the theoretical and, later, practical application of electricity, Italians have, by dint of hard work and ability, made an essential contribution to the progress of the science and to the industry. And with pride as Fascists, not only because the political situation of the last seven years has permitted a tremendous increase in the production and consumption of electricity, thanks to a period of stable government, but above all because the Fascist Regime has, by introducing a few but clear and fundamental laws, assisted electro-technical development on sound and natural lines to a greater degree than any other form of direct intervention could have done.

Having completed within three years the work which was entrusted to me as Minister of Finance, I have been engaged investigating the development of electrical engineering in other countries with a view to taking financial and technical interest, thus providing foreign undertakings with Italian technical experience in specialized fields.

It may be said that Italian electrical engineering, if not the best in the world, ranks certainly among the best, having withstood the crucial tests of the War, of the post-war period and currency depression, without suffering a decline, or even an abatement of its technical, financial and economic progress.

This electrical development has proved to be one of the most remarkable and positive influences in the growth of Italian economics, as was pointed out by Signor Mussolini in a speech which he made in Rome on January 30th, 1930.

The electrical industry of a country does not constitute a self-supporting industry; it is a dependent one which embraces and penetrates into all other activities of the country — civil, agricultural and industrial. It is thus clear that the system of fostering electrical development which we have followed up to now has contributed greatly to the progress of other national activities.

CONCEPTION OF A GREAT PROBLEM. — It seems almost trite to state that Italians were pioneers in the science of electricity and its practical application. The contributions of Volta, Galvani, Pacinotti and Ferraris to the science do not need to be stressed. It was in Italy that electrical energy was first transmitted over long distances, the most notable

examples being: Tivoli (1892), Paderno (1896), Vizzola (1898), Cellina (1905-8), Cismon (1908), etc. These undertakings were conceived and carried out with true pioneering spirit, with regard both to hydraulic works and electrical equipment, and are still to be regarded as grand achievements in the history of industrial development.

As consumers we may also say that we are pioneers, having since its inception appreciated the economic importance of electricity and having promptly replaced oil, gas and coal by electric power for lighting and power purposes.

Those responsible for our electrical undertakings deserve full appreciation for the courage and tenacity with which they faced early difficulties and for the enterprising spirit shown in creating a market for electric power.

The situation of the Italian electrical industry at the beginning of the World War can be briefly described as follows:—

Generating stations were isolated and operated as individual units without technical or financial co-operation. Many of them were steam, while areas of supply were nearly always confined to the large and medium sized towns. This represented a very narrow view of the problem, and with a few exceptions the industry consisted of a mosaic of small competing undertakings leading a difficult and hazardous existence. The hardships of the war and the difficulty of obtaining coal awakened Italy to the necessity for a sound water-power organization. These circumstances were responsible for the introduction of legislation to regulate the generation, transmission and distribution of electrical energy.

Financiers and leading men in industry, realizing the importance of electricity in national economics, decided that reconstruction on a sound and solid basis was urgently necessary. A system had to be evolved, capable of meeting every requirement. The magnitude of the financial interests involved necessitated definite zones of distribution and stabilized tariffs.

In spite of the natural inability of the masses to understand economics, the consumers soon appreciated the necessity for a complete substitution of coal by electricity in all possible spheres of domestic and industrial life.

**LEGISLATION.** — The Fascist Government was the first to perceive that the importance of the Hydro-Electric industry was becoming a political question of primary importance, embracing the power requirements of the whole nation. Since the water resources are State property, measures were adopted for controlling the utilization of these sources of energy and for the rationalization of the national wealth in water power, which shows that our legislation in this matter is perhaps the most up-to-date and, in many respects, the most practical.

One of the basic principles of our legislation is that the industrial

application of water for any purpose is considered a public utility enterprise, regulated by the State for the general good. Users of water by ancient right, or those who had become owners through having held the rights for more than 30 years, have lost all rights with the exception of temporary use, whilst ownership has been modified to a concession.

The Hydro-Electric Industry benefits by the privileges granted by law to all public utility services. Electrical enterprises have full powers for the purchase of any land for works construction and right of way over all property for power transmission. It is furthermore laid down that in granting a concession, the interests of the property owners are not to be given undue consideration, though they must, of course, be compensated; but the first consideration is the better employment of the water resources of the country, not only for the generation of electrical energy, but also for agricultural purposes and irrigation.

Gradual transfer to the State of all hydraulic works will constitute in future a measure which, in effect, will be equivalent to the nationalization of water power, whilst allowing full economic liberty for its use and industrial application.

The Government, moreover, having very much at heart water power development in Italy and all the economic factors pertaining thereto, not only grants facilities for financing concessions through certain financial houses, but also assists by means of subsidies those works which otherwise could not be undertaken.

**LIMITATION OF STATE CONTROL.** — On the other hand, the regulations concerning electrical transmission, whether for transmission or distribution of energy, show how State legislation, when granting facilities for generation and distribution, has also covered all contingencies which might arise with third parties in connection with the construction of the network itself.

For example, the regulations deal with way-leaves and maintenance of public safety, road and railway crossings, and crossings over telegraph and telephone lines, but they do not interfere in the commercial application of the lines, or, in other words, there is no State intervention in the matter of distribution of energy.

In short, State control of water concessions tends to bring about better utilization of hydro-electric power, and all the other regulations are nothing more than measures designed to co-ordinate the various interests, to ensure public safety and to facilitate the construction of the transmission network.

The holder of the concession has full liberty in the matter of transmission, distribution and use of the energy generated, and the concession vests in him the sole right to use the energy. No special privilege is granted to the holder of the concession, whether a private individual, a municipal undertaking, or a State concern, as, for example, the State

Railways. No further right is granted to anyone, not even the monopoly of distribution in any area, large or small, and this applies also to municipal areas having a municipally-owned electrical undertaking.

Though no monopolies are granted, the big electrical combines settle the boundaries of their respective distribution areas in a friendly way, but these boundaries are not rigid, and agreements are made for supplies to be given across such boundaries when economy dictates the adoption of this course. Thus the territories are zones of economic influence rather than definite areas of distribution.

Whilst, therefore, there are in existence and in practice such controlling regulations as are absolutely necessary for the technical and economic distribution of electricity, and since the monopoly of an area is never granted, every electrical undertaking is faced with the possibility of outside competition, which may arise by reason of the relative economy of different systems of generation and distribution – for instance, where the cost of local generation by steam permits a lower tariff than that charged by a hydro-electric undertaking, or when another hydro-electric undertaking is in a position to offer a lower tariff than the one in existence.

It is not possible to over-estimate the value of such freedom of competition. The State has never had the intention of interfering with tariff charges or in regard to any charges voluntarily agreed between supplier and consumer, and the tariff revisions enforced in Italy immediately after the war were solely for the purpose of adjusting pre-war tariffs to modern conditions.

**THE EFFICIENCY OF THE ITALIAN SYSTEM.** – During the Fascist Régime the value and efficiency of the Italian policy has been most clearly demonstrated, especially during the period of currency fluctuation.

No inconvenience was experienced, because agreements between suppliers and consumers were quickly adjusted on a basis satisfactory to both parties, and the suppliers were able with little difficulty to organize their services to meet the continuously growing power demand.

Another provision which the Government has made during the last few years, and which has had a stabilizing influence on the electricity market, is the granting of special concessions, giving fiscal facilities for the amalgamation of electrical and agricultural undertakings of every kind, when such amalgamation would result in the economic advantage of both parties.

The development and reconstruction of electric companies in the last two years have greatly benefited by the above-mentioned provision, which I had the privilege of proposing when Minister of Finance, inasmuch as it favoured both the amalgamation of undertakings and the establishment of industrial collaboration between companies operating in adjoining areas.

What I might call natural markets for power were formed, and in this way capital expenditure was kept within reasonable limits and much waste of public money in useless competition avoided.

It has therefore been possible for the big combines to bring about a system of co-operation and interconnection covering a very wide field, thus making the fullest use of the various sources of power.

To-day it can truly be said that in Italy generation and distribution of electrical energy form one complete organization, conceived and developed gradually, and assisted by legislation which has been most carefully framed in order to allow natural development. Italian industry has a solid asset in its electrical organization as it stands to-day, and this fact helps to maintain an efficiency as high as can be found in any country.

A final remark is necessary. In order to attain this degree of electro-technical efficiency, the wise legislation and its application, to which I have already referred, have not in themselves been sufficient. Other factors of no less importance have contributed—above all, the activity and confident atmosphere created by the Fascist Revolution have been instrumental in industrial and commercial expansion, while a new spirit of devotion to the State has arisen, not only in individuals, but also in public organizations. It is just this spirit of devotion which has helped to guide the electrical industry in the wise use of the freedom which it now enjoys.

GROUPING SCHEMES. — The system of grouping power stations, transmission lines and distribution networks can be classified under ten headings:—

Piedmont  
Lombardy-Liguria  
Adamello  
Venetia Tridentina  
Adriatic  
Tuscany-Latium  
Central Italy  
Southern Italy  
Sicily  
Sardinia

Each of these groups includes a number of power supply undertakings which distribute the electrical energy and co-operate in all technical and financial matters; as a rule, they are under one management, so that notwithstanding the number of separate undertakings, they represent one corporate body.

As a rule, the groups carry out distribution within areas definitely limited and not overlapping. The linking up of the various systems is not only for the purpose of providing economical exchange of energy,



avoiding the duplication of transmission lines and distribution networks and waste of capital and labour, but also of providing, as far as is possible, interconnection between the power sources of the Alps and those of the Central Apennines; the former giving abundance of power during the summer and having a restricted output in winter, whilst the latter has opposite characteristics.

The main 220,000 volt transmission line from Gardano to Cislago is an example of plucky enterprise on account of the technical and financial difficulties overcome, and will permit interconnection and exchange of energy between the Eastern and Western Alpine power sources. Above all, this interconnection will allow the water power resources of the Venetia-Tridentina district to be transmitted over the whole of Northern Italy and over a large part of the Adriatic region.

CAPACITY OF THE HYDRO-ELECTRIC PLANT INSTALLED. — The capacity of hydro-electric plant actually installed in Italy, by the year 1928, reached 3,900,000 horse-power, of which 2,800,000 was located in Northern Italy, 600,000 in Central Italy, 300,000 in Southern Italy and 100,000 in the Islands.

The capacity of steam stations in 1928 was in excess of 800,000 horse-power.

To give an estimate of the capacity up to the end of 1929, about 10 % should be added to the above figures.

The total output of electricity in Italy during the year 1929, was more than eleven thousand million kw. hours, a very imposing figure in itself, and if we compare it with the output of the most wealthy and progressive nations of the world, we find that it is only exceeded by the United States of America, England, Germany and France. If we consider generation of electricity by water power only, Italy occupies the third place in the world.

Thanks to the activity of Conte Ciano, Minister of Communications, Italy occupies one of the first places amongst the more progressive nations also in the field of railway electrification.

The first experiment in the application of high tension to electric railways was made in 1902 on the Lecco-Colico-Sondrio line, and marked the first step in electric railway traction with complete passenger and goods main line services.

Up to the present time the State Railways, electrified or in course of electrification by various systems, have a total track length of more than one thousand miles, of which considerably more than half has been carried out during the Fascist Regime. In addition, about six hundred miles of subsidiary railways, not belonging to the State, have been electrified.

The vast electrified network of the State Railways now consumes about 300 million k.w. hours per year with a consequent annual saving in imported coal of about half a million tons.

**GROWTH OF DEMAND.** — Italy ranks amongst the first nations of the world in regard to growth of demand.

The years 1922 to 1929 of the Fascist Regime saw the output of electrical energy doubled, so that it can be said that during the last six years Italy has generated as much electricity as she produced during the previous twenty-five years.

These figures clearly show the value of Italian legislation in electrical matters.

**FINANCE.** — The share capital of Italian electric power undertakings in Italy is to-day in the neighbourhood of ten thousand million lire, besides bonds to the amount of three thousand million lire issued in Italy and abroad.

This does not, however, exactly represent the financial situation, because it is difficult to appreciate in such figures the influence of the depreciation and revaluation of the currency.

The capital value of the generation and distribution plant, expressed at the present rate of exchange, may be estimated to amount to, and perhaps exceed, 22 thousand million lire, based on a capital value of 2 lire per k.w. hour generated and sold.

These figures, though imposing, do not sufficiently represent Italy's real financial strength in this field.

The figure of 2 lire per k.w. hour generated and sold is sufficient to cover generation, transmission and distribution, but it must be borne in mind that the consumer must incur a considerable expenditure to make use of the k.w. hour generated. This expenditure is relatively big, whether it covers the wiring installation of the smallest house, the electrical equipment of the largest industry, or even the establishment of an industry itself, as in the case of the electro-chemical industry.

If we bear in mind that, for many years past in Italy, electricity has almost entirely replaced other forms of power, it is easy to see what heavy capital expenditure the consumer has had to bear in order to make use of the quantity of electricity generated, and how the hydro-electric industry has been instrumental in developing many other industries.

It is not possible to give the approximate value of the capital invested by the consumer in order to make use of electric power. Should the motor only be counted, or must we include the whole installation? In some cases, as I have already stated, it would be justifiable to include the entire capital invested in the industry.

However, I believe that consumers' capital expenditure for utilization of energy generated may amount approximately to half of the capital expenditure on generating plant. It is, therefore, approximately correct to estimate the total capital invested in generation and utilization of electricity at 30 thousand million lire or more.

I have reason to believe that of the above sum, more than 15 thousand million lire have been expended during the seven years of Fascist rule: therefore, more than 2 thousand million lire a year of Italian savings have been invested in the electrical industry.

The capital expended by the consumer for the utilization of electricity has not received sufficient consideration, and this question is of paramount importance in regard to the general economics of the country, because it is not sufficient to estimate only the capital necessary to provide for a constantly growing power demand, but we must bear in mind, especially at the present time, the capital required to utilize the energy.

Responsible individuals in politics and finance should keep before them this complex question, and it is my opinion that Italian legislation applied in the spirit of Fascism approaches the question very wisely by leaving complete liberty to the play of economic interests in this sphere. Under such conditions only can the growth of production and consumption be able to maintain its equilibrium, avoiding the crisis that inevitably would occur if the balance were upset.

LEGISLATION IN OTHER COUNTRIES. — During the last ten years the legislation of other countries has certainly been tending towards a policy of more or less direct intervention or towards a more or less close control of the activities of the electrical industry.

Legislation in different countries takes a variety of forms, even among the richest and most progressive.

They all, however, aim at fostering the electrical industry, co-ordinating its activities throughout the country, and utilizing national power resources to the best advantage.

As I have already said, the methods adopted to this end vary considerably. Control may be exercised upon the earnings of an undertaking, as in America, or an organization may be formed indirectly under State direction, such as the "Central Electricity Board" and the "Electricity Commissioners" in England, who have, with Parliamentary sanction, the right of granting concessions for generation and allotting territories for distribution. The Central Electricity Board, also, by means of an extensive transmission network, provides for the required interchange of power between one area and another.

In France, hydro-electric generation and distribution are a concession and are minutely controlled by the State, which has the right of granting monopolies.

Lastly, in Germany, the States, Provinces, or Communes take part in the life and development of the electrical industry with the same degree of liberty which is extended to shareholders in public companies.

I should go beyond my theme if I entered into a comparative investigation of the various legislative measures, which would involve the

necessity of throwing light on the other side of the question by a critical analysis. Such an analysis would be the more difficult since legislative measures are mostly of such recent application that, at the present time, it would be next to impossible to arrive at any definite conclusion regarding their value in the development of the industry and particularly in regard to the protection of the consumers' interests.

LOW TARIFFS IN FORCE IN ITALY. — Without wishing to give exact figures, which are difficult of comparison in the case of electricity tariffs, I can say more or less definitely that in no other country is the price of electricity, compared on gold basis, as low as in Italy, whilst in no other country does the Exchequer derive a greater revenue by taxation from the electric supply industry.

This is not only on account of the higher cost of living in other countries, but is due to various factors inherent in electrical legislation.

All excessive legislation costs money and sometimes costs a lot. Any system of maximum tariff must be sufficiently high to allow a working profit, because otherwise the capital will not be sufficiently productive, and will therefore be withdrawn.

In other words, I think that any form of interference with tariffs would ultimately result in increased cost per unit.

The above refers to the richer and more advanced countries. With regard to the poorer countries and Colonies, development of the electrical industry has not gone beyond the very early stages, and may be said to be still in its infancy.

The field, therefore, for the utilization of electricity in these countries is more or less unlimited for a long while to come, and it is this field which is of special interest to Italy.

Our technical organization, trained labour, engineers and financiers have amply demonstrated their capacity to tackle the most arduous problems. These qualities should, in my opinion, provide an opportunity for developing the electrical industry in less advanced countries.

# THE ITALIAN MERCANTILE MARINE 1922-1930

*by the National Fascist Confederation of Maritime and Air Transport Companies.*

Leaving out of count all vessels registering less than one hundred tons gross, the Italian mercantile fleet in 1922 counted 1,413 vessels with an aggregate gross register of 2,866,335 tons; while on the 1st July 1930 it consisted of 1,380 vessels aggregating 3,331,226 tons gross. Thus an increase of fully 464,891 tons is recorded during the nine years of Fascist rule. While the actual number of the vessels has diminished by 33 – a decrease due in great part to the gradual disappearance of our old and gallant sailers – the average gross register has increased from 2,028 tons in 1922 to 2,413 in 1930.

Motor ships in 1930 aggregated 61,374 tons gross, and by the 1st July 1930 – that is to say in the course of about eight years – had increased to fully 433,335 tons. Tankers, which on 1st July 1923 registered a total of only 89,399 tons gross, had risen by 1st July 1923 to fully 318,699, an increase of 229,300 tons.

Under the influence of Fascism, Italian shipowners have given no less attention to the quality of their fleet than to its quantity.

The Italian mercantile marine owns the following vessels, all of them registering more than 10.000 tons gross:

1) SATURNIA . . . . .	23.940
2) VULCANIA . . . . .	23.970
3) CONTE BIANCAMANO . . . . .	24.416
4) CONTE GRANDE . . . . .	25.660
5) CONTE ROSSO . . . . .	17.047
6) CONTE VERDE . . . . .	18.765
7) GANGE . . . . .	12.272
8) AUGUSTUS . . . . .	32.649
9) COLOMBO . . . . .	12.002
10) DULLIO . . . . .	24.281
11) GIULIO CESARE . . . . .	21.657
12) ORAZIO . . . . .	11.668
13) ROMA . . . . .	32.582
14) VIRGILIO . . . . .	11.717
15) AUSONIA . . . . .	12.742
16) ESPERIA . . . . .	11.405
17) CALIFORNIA . . . . .	12.767

These figures show that we own 17 ships totalling 329,540 tons gross, which are all that is most up-to-date and perfect in technical construction, comfort, and luxury.

Two super-transatlantic liners – the «Rex» and the «Conte di Savoia», the former of the Navigazione Generale Italiana and the latter of the Lloyd Sabauda, are at present on the stocks. Each of these giant liners will register about 47,000 tons. In addition to these, two motor ships of 20,000 tons each are being built by the Cosulich Company. Another important vessel now being built is the «Victoria» of the Lloyd Triestino, which will register 15,000 tons gross.

The Italian mercantile marine, as we have seen, has made a big stride forward under Fascist stimulus, in respect of both quantity and quality; nor has it failed to assert the presence of the Italian flag in all the main lines of international trade – not only with our huge, luxurious liners, but also our humble tramps, that play so important a part in the new Italy's history at sea.

Let us cast a glance at the traffic of three of the most important international routes: Suez, the Danube, and Panama.

According to the returns of the Egyptian Ministry of Finance for 1922, the Italian flag's share in Suez traffic amounted to 3.98 % of world traffic.

During the general trade depression of 1930, the Italian flag's share in Canal traffic recorded 307 sailings and accounted for 1,502,559 tons net out of a total of 5,761 passages and 31,668,759 tons.

This shows that, notwithstanding the depression that weighed on world trade last year, our fleet actually registered an increase in Canal sailings, advancing from 3.98 % in 1922 to 4.77 % in 1930.

In 1922, the Italian flag participated in Danube traffic to the extent of 103 ships, aggregating 176,945 tons, equivalent to 15.83 % of the total navigation, which amounted to 691 vessels with an aggregate tonnage of 1,154,000 tons.

In 1930, the Italian flag recorded 305 vessels in the Danube trade, aggregating 846,484 tons register, and carrying 621,064 tons of goods, against a total navigation of 1,678 vessels and 3,934,984 tons of cargo.

Our flag has taken an active part also in far-off Panama Canal traffic. In 1930 we registered 61 Italian vessels carrying 225,382 tons of goods against a total movement of 5,885 passages and 27,843,927 tons of cargo.

The Italian flag has taken no less active a share in the traffic of foreign ports.

In 1929 we registered a movement of 877,023 tons net in Argentine ports – 7.49 % of the total traffic of 11,711,924 tons net.

In 1930 the Italian flag contributed 749,169 tons out of a total of 9,886,812 tons. Thus the Italian percentage that year was 7.58 % as against 7.49 % the previous year. The fact that Italy's share registered an actual increase in the very midst of the general depression that has hit the aggregate trade of Argentine ports is a fact deserving of note.

Another point that claims our attention is the figures recording our traffic in Jugo-Slav ports in 1930. Last year Italian shipping contributed 5,500,000 tons net, coming next after the Jugo-Slav flag, and being far and away ahead of all others.

We find the Italian flag occupying the first place in 1929 in the traffic of the ports of Varna (524,584 tons net), of Burgas with 486,786 tons net, and Costanza with 852,000 tons net; it ranked second during the same year in the port of Alexandria, with 2,529,475 tons; while at Alex-

andretta, in 1929 and 1930 it ranked first, with 225,183 and 209,700 tons respectively.

In the port of Salonica we again find it first in 1930 with 509,058 tons of mechanically propelled tonnage – actually ahead of the Greek flag.

The position of the Italian flag in the international traffic of our own ports is not less worthy of note.

In 1922, out of a total of 14,399,608 tons of goods loaded and discharged for international trade in our ports, 5,880,745 tons were carried by the Italian flag and 8,518,863 tons by foreign vessels. Thus our flag participated in the international traffic of our ports to the extent of 40.9 %, and foreign flags 59.1 %.

It should be noted that the figures relating to ships' supplies, bunkers, etc., are included in the 1922 figures.

In 1930, out of a total of 20,187,379 tons of cargo, 9,358,918 tons (46.4 %) were carried by Italian vessels, while 10,828,461 (53.6 %) were carried by foreign vessels.

International passenger traffic in Italian ports yields the following figures:

In 1922 out of a total movement of 410,443 passengers, 334,610 sailed under the Italian flag.

In 1930 out of a total of 335,499 passengers, 239,845 were carried by Italian vessels.

The movement of the port of Genoa – first among Italian ports – during these first 9 years of Fascist Rule is no less interesting. In 1922 the total movement of this port consisted of 6,645 ships, registering 11,444,913 tons net, and carrying 5,476,789 tons of cargo.

In 1929 the figures had risen to 10,800 vessels, registering 20,169,328 tons net and carrying 8,432,165 tons of cargo.

In 1930 – a black year for the mercantile marine – we have the following returns: 10,064 vessels, registering 20,311,427 tons net, carrying 7,657,349 tons of cargo.

Ships' supplies and bunkers are included in the 1929 and 1930 returns.

This comparison between the figures for 1922 and 1930 affords eloquent proof of the fine stand our leading port made under Fascist influence to resist the grievous depression of last year.

Among the shipping companies that form the backbone of the Italian Mercantile Marine service, the following deserve special mention.

#### ON THE TYRRHENIAN SEA:

*La Navigazione Generale Italiana* which has its office in Genoa and Agencies in the principal cities of the world. It directs very luxurious and rapid lines to North and South America by the motorship

*Augustus* (32,650 tons), and by the transatlantic liners *Roma* (32,600 tons), *Duilio* (24,500 tons), *Giulio Cesare* (22,600 tons). It maintains also services in Central America and the South Pacific (via Panama) by the transatlantic liners *Colombo*, *Orazio* and *Virgilio* (12,000 tons each) and a regular postal service to Australia.

The *Lloyd Sabaudò* likewise, with its office in Genoa and Agencies in all the principal cities of the world, directs very rapid and very luxurious services to North and South America by the transatlantic liners *Conte Grande* (25,661 tons), *Conte Biancamano* (24,416 tons), *Conte Verde* (18,765 tons), *Conte Rosso* (17,047 tons).

It runs also a regular service with Australia.

*Sitmar. La Società Italiana di Servizi Marittimi*, with its office in Genoa and numerous agencies abroad, directs the Europe-Egypt "Great Weekly Express" with the steamers *Ausonia* (12,743 tons) and *Esperia* (11,405 tons). It likewise runs luxurious, rapid round services in the Mediterranean and postal and commercial services with the Black Sea and Egypt.

*La Marittima Italiana*, with its office in Genoa and Agencies in the principal cities, directs a rapid line to the Indies (passengers and goods) and a commercial line to India and the Dutch East Indies. Special mention is due to the liners *Aquileia* (7,039 tons.), *Genoa* (7039 tons) and the motorships *Arabia* (7025 tons) and *India* (6367 tons).

The *Compagnia Italiana Transatlantica* (C.I.T.R.A.) with its office in Rome and agencies in the principal cities, directs postal and commercial services to Sardinia, Tunis, Malta, Libia, Egypt, Eritrea, Somali Land and South East Africa. In its fleet are to be noted the liners *Crispi* (7,464 tons), *Mazzini* (7,453 tons), *Garibaldi* (5,278 tons), and the motorship *Arborea* (4,959 tons).

*La Florio*, with its office in Palermo and agencies in the principal cities, directs rapid daily, weekly and fortnightly services to Sicily, Tunis, Libia and Egypt. In its fleet are to be noted the motorships *Città di Palermo*, *Città di Napoli*, *Città di Tunisi*, *Città di Trapani* (all of 5,000 tons). It possesses besides 9 very modern motorships of lower tonnage.

#### ON THE ADRIATIC:

*Il Lloyd Triestino*, with its office in Trieste and agencies in the principal cities of the world, directs rapid lines (passengers and goods) to the Levant, the Black Sea, Egypt, India, and the Far East. In its fleet are to be noted the steamers *Gange* (12,272 tons), *Cracovia* (8,052 tons), *Pilsna* (8,040) and the motorships *Fusijama* (6244 tons), *Himalaya* (6,240 tons), *Victoria* (13,500 tons) and also other steamers registering over 8, 7, and 5 thousand tons.

*La Cosulich*, with its office in Trieste and agencies in the principal cities of the world, directs very rapid and very luxurious lines to North America by the motorship *Saturnia* (23,940 tons) and *Vulcania* (23,970



tons), rapid lines to South America and commercial lines to North America, to Mexico and to South America. Besides the two large motorships in its fleet, are to be noted a third motorship, the *Belvedere* (9,000 tons) and the steamer *Martha Washington* (8,347 tons) and also numerous steamers of more than 5,016 thousand tons.

*La S. A. Navigazione Libera Triestina*, with its office in Trieste and agencies in the principal cities, directs rapid lines to California and Canada (via Panama Canal) to South America, Mexico, the Congo, South Africa.

In its fleet are to be noted the liners *California* (12,000 tons), *Duchessa d'Aosta* (7,765 tons), besides numerous other liners of more than 5, 6 and 7 thousand tons.

*La Società Veneziana di Navigazione a Vapore* with its office in Venice and agencies in the principal cities, directs the regular monthly Venice-Calcutta service, touching at Dalmatia, Egypt and Eritrea. In its fleet are to be noted the motorships *Cortellazzo*, *Barbarigo* and *Birmaniam* (8,000 tons each), besides other steamers *Caboto*, *Dandolo*, *Manin*, *Marco Polo*, *Marin Sanudo*, *Alberto Treves*, all over 5,000 tons.

Besides the Companies above mentioned, both on the Tyrrhenian and the Adriatic there are numerous other companies, such as the *Adria*, the *San Marco*, the *S. A. Industrie Marittime* (S.A.I.M.), the *Puglia*, the *Meridionale di Navigazione*, the *Soc. Tripovich*, the *Lloyd Mediterraneo*, the *Gerolimich*, etc., with passenger fleets often of considerable importance.

# GENERAL SURVEY OF ITALIAN INDUSTRIES

## THE MINING INDUSTRY

**MINES:** The mining industry dates back to a remote past in Italy: it may be said that, after agriculture, it was the principal resource of the ancient inhabitants of the Peninsula and the Islands.

This industry has had many alternations of prosperity and decadence in the course of ages.

Its activities since the unification of the Kingdom are set forth in the following table (p. 306).

The dire stress of war obliged the country to exploit to the utmost its mining resources: a special department was set up to deal with fuel; work was intensified on all hands to furnish the arms needed by the fighting forces. Notwithstanding the difficulties of improvisation, our production increased. The output of iron ore rose from 551,259 metric tons in 1910 to 693,872 in 1918; copper ore from 68,369 to 82,302; lead ore from 36,540 to 37,583 (41,590 tons in 1915); iron pyrites from 165,688 to 482,060; coal, lignite, etc., from 562,153 to 2,171,397, and mercury from 839 to 1,038 metric tons.

This sudden expansion of production due to the war was followed by a violent crisis that reacted on all branches of our mining industry. Many mines were forced to close down, others to work only part time.

This naturally led to a rapid slump in production.

The general national re-ordering that followed on the advent of Fascism did not fail to have its effect on the mining industry, as shown by the statistics of production.

A marked diminution is registered only in the output of fuel, which fell from 1,739,922 tons to 786,000 tons; but this production was influenced by the improved situation of the international coal market.

To within the last few decades, our mining industry was carried on with the most primitive means; it is now gradually improving its technical equipment by installing drilling machinery, motors for hoisting the minerals, discharging machinery, etc. The reform of the law on mines in 1927, which consolidated legislation on this subject, did much to promote the industry.

Nor has the Fascist Government neglected direct measures to encourage the development of Italian mining, itself taking charge of initiatives which private enterprises were unable to tackle with adequate means. It is thanks to the State's intervention that it has been possible to carry on the great work of exploring the sub-soil in search of petroleum, which has taken such a favourable turn with recent discoveries. The Government has likewise provided for the exploitation on a big scale of the asphaltiferous rocks in Sicily, having executed an agreement for the requisite plant for the production of 50,000 tons of crude fuel oil.

ITALIAN MINING PRODUCTION FROM 1860 TO 1930 (Metric tons).

MINERALS	1860	1870	1880	1880	1890	1900	1910	1918	1920	1926	1928	1930 (1)
Iron Ore . . . . .	82,708	89,248	289,058	220,702	247,278	551,259	693,872	389,876	504,556	641,088	716,590	
Iron Pyrites . . . . .	1,960	2,702	4,663	14,735	71,616	165,688	482,060	321,589	594,479	558,390	713,500	
Zinc Ore . . . . .	162	92,833	85,287	110,926	139,679	146,307	67,116	95,985	177,932	220,319	185,897	
Lead Ore . . . . .	10,407	26,352	37,000	32,181	35,103	36,540	37,583	40,064	54,206	55,369	50,056	
Copper Ore . . . . .	32,624	25,078	31,181	50,378	95,644	68,369	82,302	16,209	13,346	7,596	18,100	
Mercury . . . . .	34	47	94	449	260	893	1,038	1,401	1,871	1,795	1,925	
Sulphur . . . . .	157,599	203,874	350,000	369,239	544,119	430,360	234,296	263,603	272,817	327,656	349,450	
Coal, Lignite . . . . .	30,280	58,770	139,369	376,326	479,896	562,153	2171,367	1739,922	1400,802	832,350	785,900	
Petroleum . . . . .	5	12	283	417	1,683	893	4,907	4,937	5,405	6,000	7,150	

(1) Estimated production.

The fervour of research and activity evidenced by the mineral extraction industry, so validly encouraged by Signor Mussolini's Government, reveals the importance of this branch in the economic development of Italy.

**QUARRIES:** The extraction of building material from the Italian sub-soil also dates back to remote antiquity. But the extraction of marble, granite, and other stone has developed to industrial importance only in recent times.

At the present day, Italy possesses over 1000 marble quarries, the greater number of which are situated in Tuscany, in the Apuan zone; in the Vicentino, Bresciano, and Veronese Provinces, and Liguria; there are other quarries in Piedmont, the Neapolitan Province, Sicily, the Trentino, Friuli, and in the Provinces of Rome and of Trieste.

Some 4,600 companies are engaged in the extraction and manufacture of marble; about 10,000 marble work-shops, scattered throughout Italy, must be added to this number. More than 35,000 persons derive a livelihood from the industry, if we take into account also the artisan shops that work in marble. Of this number 14,000 work in the Apuan region alone.

The most modern machinery is used in the marble industry, motor power being supplied for the most part by electricity.

The following figures show the marble production of recent years:

	1913	1916-20 (average)	1925	1926	1927	1928	1929	1930
Met. tons	509,432	200,000	577,640	634,162	622,447	534,820	557,376	492,930

These figures show that Italian marble production, which had decreased considerably during the war years, made a good recovery in the ensuing period, reaching a level never before attained. General economic depression has caused a fresh slump during the last years.

The greater part of the Italian product consists of white marble, which represents a value of about 160-180 million lire yearly, but a

PRODUCT	Italian Marble Exports (Metric tons)					
	1925	1926	1927	1928	1929	1930
Rough Marble (Met. Tons)	186,456	199,279	198,428	186,384	199,751	151,538
Polish. Marble & Alabaster .	166,737.9	155,464	146,420	160,288	156,309	126,931
Totals .	353,193.9	354,743	344,848	344,830	356,060	278,469
Total value L.	211,243,211	246,889,043	274,145,594	267,208,997	263,704,208	215,340,982

great number of other varieties are extracted, and in certain regions valuable veins of the most precious coloured marbles are met with.

Marble exports represents a valuable asset in Italy's export trade: in 1928 they brought in about 267 million lire, 89 millions of which are accounted for by rough marble and the balance by the polished product.

Germany is our biggest customer for rough marble; followed by the United States, France, Belgium, Spain, and Great Britain. Next in order of importance come Argentina, Brazil, Switzerland, Japan, Canada, Austria, France, Australia, and Egypt.

## THE METALLURGIC AND ENGINEERING INDUSTRIES

**METALLURGIC INDUSTRY.** — Only after 1885 did Italy realize that she had the power to organize a flourishing iron and steel industry. After ten years of efforts (1885-1886), much hampered by the economic crisis the country was going through, our output reached about 223,000 metric tons, of which only 9,000 tons were pig iron, 50,000 steel, and 164,000 iron. In addition to this quantity supplied by the national industry, Italy consumed 215,000 tons imported from abroad.

When the 1896 crisis settled down, the movement to renew the national industry rapidly grew and spread, and was greatly stimulated by the steady and heavy increase of home demand.

From 1895 to 1913, the industry underwent a profound and general transformation. Works fitted with all the latest technical equipment sprang up; the older works were completely renewed and the production of cast iron was far outstripped by the production of mild steel.

At the outbreak of the European war in 1914, the Italian steel industry had a yearly output of 420,000 metric tons of pig iron and 930,000 tons of steel. During the war, our manufacturers managed to overcome incredible difficulties and to raise the output to a figure never before reached. The production of electrical steel increased from less than 20,000 tons in 1913 to 74,000 in 1918. And while the steel output of most countries was decreasing, Italy managed, by a supreme effort, to increase hers up to 1,304,000 tons in 1917.

A marked contraction followed the close of the war. The industry was adversely affected by political competition, social disturbances, the unstable situation of exchanges — which rendered the supply of raw material difficult — and, generally, by the economic depression that prevailed all over the world.

Thus the steel output fell in 1921 to a minimum of 683,000 tons, and that of pig iron to 60,400 tons.

Since the triumph of the Fascist Revolution there has been a steady upward trend. From the minimum to which we fell in 1921, we attained to the figures set forth in the following table:

Year	Steel	Met. Tons.	981,419	Pig Iron	Met. Tons.	157,599
1922	Steel	Met. Tons.	981,419	Pig Iron	Met. Tons.	157,599
1923	»	»	1,141,761	»	»	236,253
1924	»	»	1,358,853	»	»	303,972
1925	»	»	1,785,532	»	»	481,799
1926	»	»	1,779,519	»	»	513,425
1927	»	»	1,565,770	»	»	489,161
1928	»	»	1,963,127	»	»	507,611
1929	»	»	2,141,765	»	»	678,491
1930	»	»	1,774,090	»	»	534,293

The fall registered in 1930 is related to the general economic crisis, which reduced the world steel output from 121.5 million tons in 1929 to 95 millions in 1930 and that of pig iron from 99 to 81 million tons.

The Italian industry counts at the present time 14 coke blast-furnaces, in addition to 2 electric blast-furnaces working in Aosta, and 126 Martin-Siemens furnaces, some of which are of big capacity; 5 blast-furnaces burning charcoal; 69 electric furnaces for pig iron and ferro alloys; 8 Bessemer and Roberts converters; 89 electric steel furnaces; 7 Blooming mills; 127 trains of rolls for structural shapes and merchant bars; 13 trains of rolls for wire rods; 19 trains of rolls for wide plates and sheets; 75 trains of rolls for galvanized sheets and plates for tinning; 10 trains of rolls for seamless tubes; 15 cold rolling mills; 73 drawn wire mills; 51 nail and tack factories; 19 rivet and bolt factories; 8 welded pipe factories; 22 spring factories, and 16 chain factories.

**THE ENGINEERING INDUSTRY.** — The rapid development of Italian manufacturing industries, and especially the weaving industries, and the consequent big demand for machinery did much to promote the engineering trade. According to the returns of the General Direction of Statistics, it counted in 1903 4,734 works, with 51,728 H.P., and employed 116,236 workmen.

The first industrial census taken in 1911, while bearing witness to its steady growth (38,207 works with 146,751 H.P., and employing 334,553 workers), also drew attention to the large number of small businesses (those employing 10 or fewer persons, representing 93 % of the total in 1911 and accounting for 33 % of the total labour), mostly carried on as family concerns.

During the war the complete cessation of purchases from Germany and the great difficulty in obtaining supplies from other countries, forced Italy to rely entirely on her own efforts for the manufacture of the vast and diverse war material she required. The national engineering industry rose splendidly to the occasion, successfully launching out upon quite new forms of manufacture and grappling with the technical difficulties that kept arising.

The labour employed in the engineering industry during the war period attained, and sometimes surpassed the figure of half a million persons, between men, women, and boys. In the days immediately following, this number, though it naturally fell, remained at a high

enough level to meet the needs of rebuilding our devastated areas and renewing worn-out machinery. The national industry, almost unaided, met the demand for machinery.

In 1920 the Italian industry again began to feel the pressure of foreign competition; in addition to this the engineering trade was affected by the cessation of the exceptional demands of war and the days following the war, and felt the depression of the post-war social marasmus. This state of things lasted till the advent to power of the Fascist Government; and in 1923 a recovery supervened which reached its apex in 1925-26.

A fresh re-settlement crisis started in 1927, due, in part, to the revaluation of the lira. On the 15th October 1927, the new industrial census was taken, and showed that the Country owned 82,093 businesses, employing a staff of 529,569 persons, and a motor force of 608,093 H.P. Of these businesses, 77,419 employed more than ten persons (a total of 174,425 workers); 4,417 businesses employed a staff of between 11 and 250 persons (a total of 155,973 workers); and, lastly, businesses employing over 250 persons accounted for a total of 199,171 workers.

This shows that, since 1911, the number of businesses had more than doubled, the increase being mostly accounted for by businesses employing ten or fewer persons, which maintain the same high percentage to the whole that they registered in 1911.

The aggregate number of employees, having by then surpassed half a million, had increased by 58 %; but the industry's powers of production had grown in much larger measure, owing to the increased output of each worker employed, resulting from better organization and perfected machinery. Eloquent evidence of this fact is furnished by the big increment in the power installed, this having increased more than four-fold between 1911 and 1927.

Without entering into a detailed examination of the particular conditions of the several branches of the industry, it may be said that, as a whole, the output of the Italian engineering industry is considerably in excess of the home market's powers of absorption. Its efforts at the present time are therefore mainly directed to finding fresh outlets for its products on foreign markets, at the same time securing imports of foreign machinery.

**SHIPBUILDING.** — Shipbuilding, which has age-long traditions in Italy, gained fresh impulse with the constitution of the Kingdom. Progress in shipbuilding brought about the development of other branches of engineering industry, more especially the construction of motors and boilers.

In the pre-war period the best evidence of the powers and ability of Italian shipyards was furnished by naval military constructions, in the planning of which Italian naval engineering displayed a marked degree of maturity and talent. On the other hand, the limited develop-

ment of maritime trade and the consequently unflourishing conditions of the Italian mercantile marine, prevented our shipyards from competing – as they have done since the war – with foreign ones in the construction of merchant shipping.

The following table shows the progress of the Italian shipbuilding industry:

Record or Shipbuilding	Years		
	1903	1911	1930
Shipyards registered . . . . .	48	64	139(1927)
Workers employed . . . . .	9,981	28,227	42,087(1927)
Vessels launched } number . . . . .	—	202	126
} Tons gross . . . . .	—	24,034	104,393
Average per vessel (tons gross) . . . . .	—	119	828
Mercantile } steamships . . . . .	460,535	696,994	—
Fleet } sailing-ships . . . . .	584,223	410,991	—
(Net tonnage) } Total . . . . .	1,044,758	1,107,985	3,331,000

In considering this striking increase in the volume of shipbuilding, we must bear in mind the activity of the shipyards of Julian Venetia, before the war so important an asset of the Austro-Hungarian Empire, which owned a mercantile fleet of the first order.

During the war, however, these shipyards were, to a great extent, destroyed or rendered ineffective, and immediately after the war, a considerable number of them had to be rebuilt when they took on a different aspect, resembling the Ligurian shipyards, and undertook, like these, works of mechanical construction.

As most people are aware, there was a tremendous increment (as from 100 to 235) in the output of world shipping immediately after the war: this was largely accounted for by the output of countries which, not having suffered in the great war, were in a position to lay down new tonnage; Italian shipyards entered the lists later and their activity grew steadily till it reached its apex in 1926.

The activity of Italian shipyards since the war stands out owing to its increment being sensibly above the general average increase and also from the fact that it was largely devoted to the construction of ships of much larger tonnage than the average.

Since the war, internal combustion engines have come into use for the propulsion of vessels, a change that obliged many countries to re-equip their yards to build these motors. In Italy, the construction of motor vessels began to assume importance in 1922, and rapidly intensified during the following years, reaching in 1926 (with 153,121 tons gross) its absolute maximum, while the highest percentage was attained in 1925 (71 %).



Years	Motor vessels launched	
	Units	Tons Gross Register
1922 . . . . .	3	9,500
1923 . . . . .	2	6,888
1924 . . . . .	4	27,358
1925 . . . . .	15	101,299
1926 . . . . .	17	153,121
1927 . . . . .	12	49,574
1928 . . . . .	15	35,652
1929 . . . . .	20	55,442

Four engineering works were organized to construct the motor apparatus of the vessels.

At the present time the Italian shipbuilding industry has a share capital of close on 500,000,000 lire and has attained to such a high degree of efficiency that it is able not only to supply the needs of the Navy and the mercantile fleet, but to do a good export trade as well, competing with shipyards of world reputation.

THE ANSALDO Co. — The “Ansaldo” occupies a leading place among the great industrial concerns which Italy has created in the course of half a century.

From the construction of small mechanical contrivances and motor apparatuses of small power or uncertain type, the “Ansaldo” Co. of 1854 has grown to rank beside the world’s great industrial organizations; the small steamer “San Gottardo”, which fifty years ago was launched with such high hopes, was the pioneer of a whole series of big and small marine engineering constructions, whence the “Ansaldo” Works and shipyards have attained to these results: over 300 vessels built, totalling over 800,000 tons displacement and a motor power of over 2,500,000 H.P. Almost the whole of the material and machinery used for these constructions has been manufactured by the “Ansaldo” Co. itself: plates, sectional forms, ships’ screws, big rudders, boilers, the powerful motor apparatus, first with alternating engines, then with turbines, and later with Diesel engines; and again field and heavy artillery, from small mobile pieces to the guns of very large calibre that armed the battleships which still survive at the present time, to the latest type of big gun that arm our rapid cruisers.

The technical offices of the “Ansaldo” have drawn up thousands of plans for all types of ships; for power stations of the most diverse

kinds utilizing both water and thermal power; for all systems of steam and motor traction; the most complicated metallic structures, and the most powerful types of artillery. The competence of these offices has enabled us to hold our own at home and abroad and to maintain the prestige that has contributed to Italy's position as one of the Great Powers.

Once having done with war manufactures, the "Ansaldo" Co. sought to consolidate its position, concentrating its activities in Liguria, along the Polcevera and at Sestri Ponente, completing plants put in hand and necessitated by the progress of its constructions.

The big steel-works and steel foundries – which count among the biggest in Europe – represent the most important of the "Ansaldo" activities: these establishments, which alone employ over 35,000 workers, dispose of quite exceptional means of production.

The steel-works are the foundation of the "Ansaldo" system; they supply the raw material, smelted and semi-fabricated, that serves for all kinds of manufacture. We may mention here that the "Ansaldo" is not only a big supplier of our State Administrations, but also one of the best quoted industries on the Italian and foreign markets. Together with rudders, stern-posts, ship plates, and heavy castings for big guns, the steel-works produce the most varied steel castings for private industries of all kinds and for other big Italian shipyards, and lastly, they turn out complete series of rounds, beams, and other steel manufactures used in the building trade.

The other "Ansaldo" works, whether metal-making and engineering, or electric-engineering and ship-building, embrace the most varied forms of production.

A degree of perfection has been attained in the treatment of steel by smelting, and in its alloys and manufacture, as a result of costly experiment, often of a very delicate kind and not infrequently highly dangerous, carried on in modern, well-equipped chemico-metallographic laboratories, that constitutes one of the best guarantees of the excellence of "Ansaldo" steel products.

The output of the "Ansaldo" steel-works is partly absorbed by other of the Company's establishments and in part by the Italian and foreign markets. The Company's engineering works, electric-engineering works, and shipyards absorb great quantities for their several manufactures.

After the different pieces – many of them of tremendous weight – have been roughly turned out, the processes of mechanical manufacture follow, being carried out in the Ansaldo Engineering Works; the great crank shafts are passed to the lathes to be finished; the various castings for all sorts of machines are very carefully and delicately worked before being put together to form turbines, boilers, condensers, motors, locomotives, locomotors, etc., all works in which a fraction of a millimeter is an all-important matter and in which synchronism, the most

perfect mechanical harmony, and the absolute interdependence of parts is verified by accurate study and perfect technique.

The name of "Ansaldo" is not only famous on the seas, as it was on the battlefields during the great war, but is engraved on many a big thermic and electric power station, on vehicles of steam and electric traction, on the colossal and powerful cranes of many big ports, metal bridges and girders of unusual structure, and again it stands out in many a great building enterprise, in which its products have played an important share.

The whole "Ansaldo" organization is already busily at work to get the great liner "Rex" ready for the seas within the space of little more than two years: this ship will register 47,000 tons, measure 265 metres in length, and have a speed of 27.5 knots – over 130,000 H. P.

The business done by the "Ansaldo" Co. in mercantile marine building is collateral to its work in warship construction. Altogether, the Company, besides contributing handsomely to Italy's engineering and business progress, is able to provide her in large measure with the means necessary for her defence.

THE FIAT CO. – Lord Wester Wemyss, Admiral of the British Navy and president of the Institute of Naval Architects defined the "Fiat" as follows:

"A marvellous organization, achieving a maximum of efficiency with a minimum of effort. The Fiat works indeed bear witness to Italy's modern spirit".

This establishment consists of a powerful combination of diverse productions related to land, air, and sea transports, and has made amazing progress thanks to the sound technical organization and management of its several parts.

While universally known as a manufacturer of automobiles, the "Fiat" also plays a very important part in other branches of industry. In addition to the famous "Lingotto" Works, it runs 12 other establishments of different kinds which, together with the "Lingotto", cover an area of 20 million square metres. The "Lingotto" alone, which turns out hundreds of automobiles a day, employs 10,000 workmen, and can boast of an output which ranges from the most economical cars (model No. 514) to the latest models of luxury car (models "521" and "525").

The "Fiat" starts by producing its raw material with the smelting of pig-iron and steel. Its "Ferriere" (iron foundries) of Turin cover an area of 600,000 square metres and employ 3000 workers. There are also the Avigliana foundries. The engineering plant of these foundries ranks among the most modern in Europe, comprising two groups of Martin Furnaces of a productive capacity of over 1000 tons of steel a day, Bolming trains of 950 mm., etc.

From their own steel-works, which specialize in steel castings by means of "Fiat" electric furnaces of the daily capacity of over 150 tons of cast metal, the "Fiat" in addition to common steel produces special chromium steel, nickel chromium steel, and very soft magnetic steel, not inferior in its properties to pure Swedish iron.

The "Fiat" foundries produce more especially castings in iron, bronze, etc., for automobiles, while the works of the "Industrie Metallurgiche" of the Fiat turn out the most varied products: from automobile wheels to armoured cars, farm machinery, and sheets and tubes of all thicknesses.

In their Modena works, the "Fiat" produces agricultural machinery and tractors for sowing, ploughing, and harvesting. The Company has also set up a big syndicate, with which the "Spa" and "Ceirano" Cos. have been merged, for the production of industrial auto cars (lorries, torpedos, and motor cars fitted for all kinds of services).

For marine use, the "Fiat" produces big Diesel-Fiat motors, which find much favour also in foreign countries. Several of the great European and American countries have submarines and motorships fitted with Fiat motor apparatus manufactured in Turin, in works that have won the encomium of the most competent authorities in naval engineering. The record achieved by the Brazilian submarine, "Humayta", propelled by a Fiat motor, which made Brazil direct from Spezia without any intermediate call, is of recent date.

The "Fiat" has in addition become a great producer of aeroplanes and aviation motors. It is, indeed, an air pioneer no less than a pioneer of the automobile in Italy; and during the war it provided the Allies with thousands and thousands of motors for their air forces. At the present time, the "Fiat" is making aviation motors and aeroplanes, for both civil and military use. Its works constructed the machines that carried out the first mass flight across the Atlantic, which our airmen executed under the command of General Balbo.

Railway constructions form another branch of "Fiat" business: Diesel locomotives, carriages for passengers and goods, Pullman cars, and "Commowearth" cars (already in use in Milan for the handsome tramways). The most beautiful train in the world, the new train for the use of the Italian sovereigns, was constructed by the rolling stock section of the "Fiat" Company.

With 35,000 workers in its employ, the "Fiat" Co. constitutes one of the great industrial aggregates of Europe. It has 20 branches abroad, established in Argentina, Austria, Brazil, Bulgaria, Czechoslovakia, Egypt, England, France, Germany, Ireland, Jugo-Slavia, Poland, Roumania, Spain, Switzerland, Turkey, and the United States. The commercial organization of the Fiat contributes very largely to Italy's export trade in motor cars, as shown by the following data:

Years	Value in lire	Number
1924 . . . . .	397,751,331	18,933
1925 . . . . .	667,393,011	29,061
1926 . . . . .	709,780,115	34,191
1927 . . . . .	605,306,700	33,312
1928 . . . . .	409,641,557	28,280
1929 . . . . .	355,691,529	23,689
1930 . . . . .	289,693,272	20,737

The falling-off in the exports of recent years is mainly due to the aggravation of the world economic situation and the growing protection policy of importing countries.

### THE CHEMICAL INDUSTRY

A summary comparison between the Italian chemical industry at the present time and its conditions immediately preceding the war at once reveals the enormous progress it has made within the last fifteen years, both in the number of products manufactured and in the quantity of each class.

The war was responsible for Italy's launching out on a number of new industries, based on both organic and inorganic chemistry, and at the same time it forced their rapid growth. Later on, the industries fostered by war were gradually perfected and others radically transformed to meet peace requirements. All this work of improvement and transformation has been greatly assisted by the collaboration of science and industry, as well as by timely government assistance in respect of customs duties and taxation.

Marked progress has also been made quite recently, the range of our products being extended, while the quantities produced are often in excess of the home demand.

The statistics of our output furnish the most striking evidence of the progress accomplished.

The production of sulphuric acid increased from 645,000 metric tons in 1913 to 1,250,000 tons in 1929. It should be noted, moreover, that while the pre-war production consisted entirely of acid produced by the lead-chamber process, in 1929 a considerable amount of 66-be concentrated acid and oleum was manufactured.

The Italian production of sulphuric acid has been increasingly used as a raw material of other industries, such as the manufacture of superphosphates and the new industries that have sprung up in Italy - syn-

thetic organic dyes, ammonium sulphate derived from atmospheric nitrogen, cellulose, kinematographic films, etc.

The manufacture of anhydrous carbonate of soda was started only in 1919, with an output of 5,200 tons for that year. In 1929 we produced 199,760 tons, the whole of which was absorbed by the home market.

During the period immediately preceding the outbreak of war we imported about 50,000 tons per annum; thus the home consumption has been quadrupled since that time.

The production of anhydrous carbonate of soda has enabled us to substitute this home product for caustic soda, which we used to import in very big quantities, especially during recent years owing to the extensive manufacture of rayon by the "Viscosa" process. In 1929, by means of the caustic treatment of carbonate of soda and the electrolytic process, we obtained an aggregate of about 76,790 metric tons of caustic soda and 49,570 tons of caustic soda in solution, which covered the home demand.

The increased production of electrolytic caustic soda obliged us to dispose of the corresponding quantity of chlorine; this has been largely utilized as chlorine solution and for the manufacture of hypochlorites, synthetic hydrochloric acid, chloro-benzol, and various intermediates for synthetic organic dyes, tetrachloride of carbon, trichloro-ethylene, and cellulose.

Marked progress has also been made in the production of certain mineral dyes such as zinc-white, lithopone, (which we started to produce after the war), ultramarine, likewise an afterwar production, (which we now manufacture in sufficient quantities to meet the home demand), and titanium white, which we began manufacturing in 1927, etc.

Since 1924, Italy has also made rapid progress in the production of ammonia by direct synthesis of the atmospheric nitrogen with hydrogen. It is hoped that before long this industry will be in a position to cover home requirements of nitrogen products, while leaving a considerable margin over for exportation.

To give some idea of the progress we have made in the course of a few years in the production of synthetic ammonia, we need only recall that in 1923 the output of ammonium sulphate was 11,385 metric tons. In 1924 the output had increased to 13,720 tons, and this year the production of synthetic ammonia from atmospheric nitrogen was started. In 1929 the production of ammonium sulphate amounted to more than 144,000 tons, of which 128,000 was synthetic ammonia and the rest liquid ammonia obtained from gasworks and coke furnaces.

We must also record the big stride forward recently made in the boric industry, both by increasing the production of boric acid and borax by fixing in the form of salts the ammonia present in the vapours given off by volcanic steam jets (*soffioni*); by isolating and then compressing the anhydrous carbon present in the said steam, or by utiliz-

ing the steam emanating from the subsoil for heating and motor power, and purifying it to obtain considerable quantities of electric energy.

Mention is also due to the following enterprises: the splendid plant recently set up to extract aluminium from our bauxite; the plant which, by subjecting leucite to the Blanc process, furnishes us with considerable quantities of aluminium and potassium salts; and the plant which, for some years past, has been producing large quantities of zinc from poor ores by electrolytic means based on the Cambi process.

Since 1926 we have been extracting iodine from the Salsomaggiore waters and bromine from the *acqua madre* of salterns, and have already attained to a production sufficient to cover the home demand.

Other important Italian chemical industries are citric and tartaric production, which in 1929, yielded respectively about 3,700 metric tons of citric acid and 5,640 tons of tartaric acid, a large part of which was exported; the alcohol industry, which during the 1929-1930 financial year furnished 398,372 hectolitres of pure alcohol and 110,401 hectolitres of inferior alcohol, and the industry in refined cream of tartar, which yielded about 1700 tons in 1929.

Since the war, we have made a successful start in manufacturing lactic acid and mannite from the fermentation of molasses, and during these last years have begun to produce butylic alcohol and acetone from the fermentation of starchy substances (risine); these products are of great importance owing to the progress we are making here in the manufacture of cellulose paints and acetyl-cellulose rayon.

Sensible progress is also being made in the manufacture of tannic extracts.

Since the war we have started the synthetic production of acetic acid, formic acid, and, more recently, methyl alcohol. These organic industries are already, or will shortly be in a position to furnish the material for various national manufactures in quantities sufficient to cover our own needs and also to leave over a certain margin for exportation.

Extremely fine progress has been made in the manufacture of intermediates and their respective synthetic organic dyes. Prior to the war Italy had only a limited production of sulphur dyes, mostly sulphur black. At the close of hostilities, an endeavour was made to preserve the finest plant that had served for the manufacture of explosives, by adapting and transforming a great number for the manufacture of intermediates and synthetic organic dyes.

Our industry at the present time is elaborating and transforming raw materials into the successive products, each one more complex than the previous, from which it then derives dyestuffs – sulphur dyes, acid, chrome-acid, direct, and basic dyes – that find so much favour in the wool and cotton trades. For some years past we have been manufacturing synthetic indigo on a big scale, and during these last years we

have been making also dyes of the *indantrene* type. The manufacture of vat dyes has given rise here also to that of hydro-sulphites.

In 1913 our importation of synthetic organic dyes was in the neighbourhood of 6,300 metric tons; in 1929 the figure had declined to 1,701.6 tons. A considerable percentage of these imports consists of dyes which, owing to the limited use of them made here, it has not so far seemed worth while to start making ourselves. Some of the Italian dyes and intermediates are exported. In 1929, 601.4 metric tons of synthetic, organic dyestuffs and 529.4 tons of intermediates were sent abroad.

Other branches of industry that have arisen in Italy since the war are the manufacture of celluloid and synthetic resins of the bachelite and similar types.

We began making celluloid in 1924 and attained to an output of 200 tons during that year; in 1929 the output exceeded 621.5 tons. This industry gave rise in 1925 to the manufacture of synthetic camphor derived from spirits of turpentine. The output of synthetic camphor was large enough in 1929 amply to cover home requirements: indeed, during that year we had an importation of 113.3 metric tons as against an exportation of 135.7 tons.

The production of synthetic resins, of the bachelite and other types, was started in Italy in 1920, the output in 1929 being 515 metric tons.

The industry in cellulose paints is also making headway, together with the manufacture of various solvents and plastic substances for the said paints – such as acetone, amylic alcohol, butyl alcohol, ethyl amile, and butyl acetates, and butyl phthaleine.

Italy makes ample use of her extensive and varied chemical production, often in replacement of foreign products that were largely imported in the past; a great many of them are also finding favour on foreign markets.

**THE FERTILIZER INDUSTRY.** – The development of this industry has enabled Italy not only to look ahead of situations and events that are now maturing, but it has placed her in a position to offer Italian farmers national products both of fertilizers and cryptogams of a quality and at a price that cannot be beaten on the international market, and in quantities sufficient to meet all present requirements and those of the near future.

The first factory of super-phosphates in Italy was opened in Turin by the Sclopis Company; new enterprises in the first place of a private character followed, and, later, limited companies and co-operative societies were formed. At a later stage, groups of factories were formed in north Italy under the auspices of the “*Unione Fabbriche Concimi*”, and in South Italy under that of the “*Società Colla e Concimi*”. The desirability, from the technical stand-point and that of economy, of uniting into a single group the producers of raw material (pyrites and sulphur) and of



finished products (super-phosphate), led in 1918 to the merging in a single organization (Società Montecatini) of all the leading mines and factories of the Union and the Colla e Concimi Co., while the several co-operative societies adhered to the Federazione dei Consorzi Agrari of Piacenza.

There are in Italy at the present time 83 factories of super-phosphates, suitably distributed throughout all parts of Italy. Their output capacity is about 2,500,000 metric tons a year, while national consumption attained to a maximum of 1,500,000 tons in 1926.

As for quality, the Italian super-phosphate industry has followed the most modern technical systems. Thus the production of high-grade super-phosphates has been greatly intensified (16/18-18-/20/19/21 of phosphoric anhydride) while – unlike the practice followed in other countries – maintaining the same price per unit in factory as paid for the low-grade qualities (14/16), thus giving farmers a great advantage in economy of transport. By adhering to this policy, the general industry which now unites phosphate, nitrogenous and potash fertilizers, has been able to do much more; it has managed to replace inert substances (such as sulphuric acid in super-phosphates and in sulphate of ammonia) by active and useful matter, and now offers our farmers phosphate of ammonia, manufactured at the Crotone works, containing about 50 % of phosphoric anhydride and 20 % of nitrogen; one hundred kilos of phosphate of ammonia is equivalent, in fertilizing power, to over 300 kilos of super-phosphate and 100 kilos of sulphate of ammonia.

This gives an idea of the wonderful stride Italy has made in the fertilizer industry, which now tends to gather into a single product the three substances essential to the development of plants – phosphates, nitrogen, and potash – substituting useless ingredients by fertilizing matter. Splendid plants, such as those of Merano, Crotone, etc., that bear witness to the unceasing progress of chemistry and demand fine technical organization and the immobilization of very considerable capital – have now replaced the humble factories of past times.

The production of synthetic nitrogen essential to the progress of agriculture has been assured, thanks to the construction of plant with a productive capacity of 70,000 metric tons of nitrogen per annum – a capacity considerably in excess of national requirements. Thus Italian farmers can now obtain at home all that they require in the way of fertilizers (ammonium sulphate, ammonium nitrate, calcium-cyanamide, etc.), and more particularly calcium nitrate, which must and will replace the former big importation of sodium nitrate from Chili. This national product not only offers all the advantages of the foreign product, but enables farmers to dose their soil gratis with 28 % of lime.

The attention of Italian experts and manufacturers has been engaged also in studying the production of the third element essential to plants, potash. Advanced research, now about to take concrete in-

dustrial form, has of late been endeavouring to obtain both alumina and potash – the latter in the form of potassium nitrate – from leucite (double silicate of aluminium and potash) of which Italy possesses such fine deposits, more especially in the central regions.

The national industry has thus met in a generous measure all the requirements of Italian farmers, both in the quality and the quantity of the fertilizers offered them, while considerable saving has been effected by the development of the industry.

The prices of Italian chemical fertilizers have reacted to the fall in the price of agricultural products generally, maintaining, in fact, a lower level than the products themselves; their price in terms of gold francs is actually lower than the pre-war price, while the price of Thomas slag, sulphate and chloride of potash (imported fertilizers exempt from customs duty) are higher, in terms of gold francs, than the pre-war price.

The above brief summary shows that the Italian fertilizer trade has a very satisfactory account to give of itself. In respect of quality, quantity and sale price – the three essentials so far as the consumer is concerned – it is doing all that is possible to meet the needs of agriculture, thus preparing the way for an increase of production that should do much to alleviate the present situation.

## THE TEXTILE INDUSTRIES

**THE SILK INDUSTRY.** – The breeding of silkworms for the production of raw silk on an industrial scale was established in Italy at an earlier date than in other silk-producing countries, the first attempts of the kind being made more than a hundred years ago. Since that time, the number of properly built and organised filatures have been continually increasing; and side by side with the increase in production, there has been a constant improvement in the technical staff and in the machinery used, with the result that the silk yarn placed on the market is finer and purer in quality and more uniform from year to year.

One of the most important innovations made in this industry was that of using steam instead of the old-style wood fire beneath each bath.

In 1866 there were 4092 silk filatures in Italy, the total number of baths in use being 50,685; 3706 of these filatures were still using the old-fashioned baths with a wood fire beneath to heat the water, while the number of basins in use was 29,324. There were only 386 filatures using the steam bath, with 21,361 basins in use. With the progress of time, however, the old system has gradually disappeared and been replaced by the new, and the number of basins in use also increased: in 1891, out of 58,360 basins, 51,952 were steam heated and only 6408 were heated over open fires.

The total number of basins in use in 1917 was 60,185; but the industry suffered severely during the war and for some years after, the progressive fall in exchange rates having a particularly disastrous effect on it. The natural consequence was that a rigorous work of selection was instituted and filatures based on ancient systems and those that were inferior for one reason or another had to go and leave the field clear for the more modern, better organized and better placed filatures. It is confidently expected, however, that as conditions grow normal, the filatures that have been got rid of will gradually be replaced by finer and more modern ones. According to the census taken in 1930, there were 776 filatures in Italy, using altogether 56,800 basins.

The annexation of the new Provinces proved a considerable advantage to the silk industry in Italy; Trent, especially, is a very important centre of silkworm culture.

It is a well-known fact that Italy stands in the front rank in this industry, thanks to her fine and extensive plants; she exports silk to the other countries of Europe, and to the East and Far East.

Italian silk-producing machinery is, in fact, so excellent, that even Japan, the world's biggest producer, started importing and later copying it.

The production of silk in this country increased from about 1,650,000 kilograms in 1863 to about 5,200,000 in 1913. From that period it dropped off, reaching its minimum of 2,133,600 kilograms in 1919; but since then the production has started to increase again.

The following figures deal with raw silk production of the last few years:

PRODUCTION OF RAW SILK IN ITALY.

	1926	1927	1928	1929
from Italian cocoons kg. . . . .	3,855,086	4,626,910	4,836,133	4,826,378
from imported cocoons kg. . . . .	510,750	382,900	400,000	694,225
Total	4,365,836	5,009,810	5,236,133	5,520,603

Italian silk holds a high place for use in the two main branches: raw silk weaving and twisted silk goods.

Italy's high grade or "extra" raw silk for the loom holds first place among consumers in all countries on account of its durability, elasticity, the evenness of the thread, its compactness (cohesion of the floss) and uniform quality. These qualities are not always to be found in the silk production of other countries, not so much on account of defective manufacture as of an inferior quality of silk-worm, due to differences in seed, climate and mulberry trees, and also to the chemical composition of the water used in throwing, etc.

In the throwing of raw silk for twisting, the Italian industry excels in the production of very fine qualities for organzine. The Piedmontese and Brianza marks of organzine are particularly favoured, as are also the classic Lombard tram and the silks worked with a special twist; and their fame has been justly and laboriously won by great accuracy in manufacture.

Generally speaking, the amount of silk goods turned out yearly in Italy is from four to five million kilograms, including organzine, tram, crêpe, grenadine, spun silk, sewing silk, silk cord, etc., the whole of these products being made either from Italian or from Asiatic silk.

About a fourth of the silk so worked is used in the national looms, the remainder being exported, chiefly to the countries of Central Europe.

The exportation of silk twist from Italy reached its maximum in the years 1908-1912, the yearly average being 3,503,000 kilograms. Since 1912, the quantity exported has varied, but always with a tendency to decrease.

The trade in dyed silk is not of great importance. The official figures are as follows:

#### EXPORTATION OF REELED SILK FROM ITALY.

Year	Single		Doubled or twisted		Reeled silk, dyed	
	Kg.	lire	Kg.	lire	Kg.	lire
1913	4,526,400	217,267,200	2,833,100	141,655,000	139,759	7,267,468
1926	3,840,400	1,464,371,785	1,998,500	764,306,924	6,898	2,986,203
1927	3,102,600	803,292,974	2,102,800	645,628,592	34,063	11,461,908
1928	3,711,106	806,761,255	1,923,900	467,765,202	4,909	1,228,503
1929	3,873,000	795,700,962	2,107,300	484,202,006	5,745	1,275,530
1930	4,608,600	655,748,183	1,848,700	338,114,273	3,956	624,115

There are about 200 silk-weaving factories in Italy, all supplied with excellent machinery; most of them have been rebuilt or remoderized during the period since the war ended. The progress made in this industry is evident from the following table, which gives the approximate number of looms working in Italy from 1876 to 1928.

#### SILK LOOMS IN ITALY.

Year	Power Looms	Hand Looms
1876	250	12,000
1898	3,000	12,000
1912	15,000	5,000
1921	17,500	3,000
1925	21,500	3,000
1928	22,500	3,000
1930	24,950	—

Without taking Japan into account, the information regarding that country being insufficient, Italy takes the fourth world-position in the silk-weaving industry, in regard both to number of looms and to output, the countries preceding her being America, France and Germany.

Italy turns out the most varied assortment of silk goods, dyed either in the piece or in the skein, namely: silks for dresses, printed silks, silks for ties, umbrellas and sunshades, silks for men's clothing, handkerchiefs, shawls, scarfs, upholstery silks, velvet, fancy velvet goods, church hangings, flags, banners, silk art textures, silks worked with gold and silver thread, special textures for the East, silk ribbon, aeroplane and airship textures, veils, tulle, knitted silk in the piece, silk covers, etc.

There are no statistics to hand concerning production, but it is calculated that during normal periods about 75 million metres are turned out annually in Italy, to the value of more than 2,000,000,000 lire.

The silk weaving industry gives work to a number of allied industries that have attained considerable importance at the present day, namely: the dyeing and silk printing industries and silk manufactures. The establishments carrying out these processes in Italy are all fine buildings supplied with the latest machinery, and give work to about 6,000 persons.

II. THE ARTIFICIAL SILK INDUSTRY. — The artificial silk or "Rayon" industry deserves a special place in the record of industrial progress. The last to be started of the more important Italian textile industries (1908), it ranks among the best organized at the present day, and stands out also as one of the finest in international comparisons.

The share capital of the artificial silk industry, which was 350,000,000 lire in 1920, is now more than 2,000,000,000 lire.

There are 14 companies manufacturing artificial silk in Italy; they possess altogether 25 factories and give employment to 36,000 workers. Two new companies are setting up new plant, and will give work to between two and three thousand persons.

Side by side with the production proper of artificial silk, there are 28 factories for finishing the product and getting it ready for the consumer; and these factories employ more than 3000 workers.

The artificial silk industry, therefore, gives employment to at least 40,000 workers, the greater number of whom are women. This is a large number, especially when it is remembered that an extensive use of machinery is absolutely essential in the trade.

Except for cellulose and cotton pulp, which are imported from abroad and represent only 10 % of the cost price, the industry gets its enormous supplies of raw material in the country itself: caustic soda, carbon bi-sulphide, bi-sulphate of soda, hydrochloric acid, hypochlorite of soda and cellulose acetate.

The machinery also is made in Italy.

The following table gives the figures of Italy's production as compared with the total world production.

	ITALY Kg.	WORLD'S TOTAL Kg.
1913	150.000	11.000.000
1922	3.000.000	35.500.000
1923	5.000.000	47.500.000
1924	8.000.000	64.000.000
1925	14.000.000	85.500.000
1926	18.000.000	106.000.000
1927	25.000.000	143.010.000
1928	28.000.000	180.000.000
1929	32.000.000	205.250.000
1930	30.000.000	—

These figures bear witness to the rapid progress of the industry.

Italian manufacturers were among the first to realize the possibilities of this manufacture. Thanks to their efforts, Italy, which, together with Switzerland, ranked seventh among the countries producing artificial silk in 1913, had attained to the first place in Europe and second in the world in 1927.

The use of artificial silk in the country is making giant strides. The number of kilograms sold yearly during the past nine years were: 700,000 in 1920-21; 1,000,000 in 1922; 2,600,000 in 1923; 5,400,000 in 1924; 5,900,000 in 1925; 6,000,000 in 1926; about 8,000,000 in 1927, in spite of the textile depression; 10,000,000 in 1928 and 13,000,000 in 1929.

Large quantities of artificial silk are used in the country for manufactures, part of the product being exported in the form of fabrics and manufactured goods. Second among producing countries, Italy ranks first in the world among exporters of rayon goods.

As will be seen from the following table, yearly imports exceeded exports up to 1915; this state of affairs was changed in the period following the war, but the advantage gained was not very great up to the end of 1920. It is only since 1921 that exports have enormously exceeded imports, although artificial silk is being imported in continually increasing quantities.

Italy's importation of artificial silk is due to the purchase abroad of types and qualities that are not yet made here, or produced in insufficient quantity. A large quantity of artificial silk is also imported into the country to be worked or dyed and then re-exported. As soon, however, as the plants that are being set up to complete the manufacture of fine and extra-fine qualities are ready for work, the importation of special types will immediately decrease and eventually be stopped.

Artificial silk is exported from Italy to all the markets in the world; the national industry has established an important commercial organization, which is in such excellent working order that the stream of trade can at any moment be diverted to suit the capricious movements of the market.

IMPORTATION AND EXPORTATION OF ARTIFICIAL SILK AND WASTE

	Importation Kg.	Exportation Kg.
1905 . . . . .	2.613	—
1906 . . . . .	20.978	—
1907 . . . . .	36.414	5.818
1908 . . . . .	41.009	20.076
1909 . . . . .	69.905	87.771
1910 . . . . .	211.608	89.364
1911 . . . . .	281.369	193.413
1912 . . . . .	330.422	268.207
1913 . . . . .	357.344	152.688
1914 . . . . .	344.945	215.400
1915 . . . . .	365.665	697.047
1916 . . . . .	139.843	323.085
1917 . . . . .	23.984	247.362
1918 . . . . .	4.976	93.000
1919 . . . . .	78.664	230.433
1920 . . . . .	374.120	396.346
1921 . . . . .	256.582	1,050.829
1922 . . . . .	432.052	2,013.392
1923 . . . . .	546.537	2,735.181
1924 . . . . .	697.052	5,651.135
1925 . . . . .	653.433	8,517.612
1926 . . . . .	813.828	11,700.139
1927 . . . . .	543.179	16,330.591
1928 . . . . .	579.986	17,189.231
1929 . . . . .	610.130	19,518.856
1930 (11 months) . . . . .	1,007.348	17,377.239

It is due to this elastic system for finding a market, combined with the excellent quality of the goods and their relatively low price that the Italian artificial silk industry has been able to increase its exports, even in periods of exceptional difficulty.

III. THE COTTON INDUSTRY. — The Italian cotton industry was started only after the unification of the Country.

In 1876 it already counted 645,000 spindles and 26,000 power looms. The finishing processes of the industry were also set going: bleach-works, dye-works, and calico-printing works. Italian manufactures gradually replaced imported yarns and fabrics.

In 1900 the number of spindles had increased to 2,111,000, and of looms to 70,000.

The number went on increasing in a truly surprising manner during the following years. In 1903 we counted 2,933,900 spindles and 78,000 looms; in 1908 the figures had risen to 3,968,000 and 90,000 respectively, and in 1912 to 4,582,000 and 115,000.

This extension of plant was carried beyond the limits of actual requirements, however, causing during some years, from 1908 onward, a surplus production that gave rise to serious depression.

From 1912 to 1913 the number of spindles remained pretty station-

ary; in 1917-1918, during the painful period of the occupation of Venetia, many works were wrecked and sacked; but these were rebuilt later. In 1930, the Italian cotton industry counted 5,450,405 spindles (of which 816,187 belong to the old fashioned self-acting type and 4,636,208 to the more recent ring type), and 150,000 looms, of which 128,000 are of the ordinary type and 18,000 of the latest automatic structure, besides 4000 hand looms.

With this equipment, the Italian industry represents 3.17 % of world cotton spinning and 4.82 % of the weaving industry.

The production of cotton yarns grew proportionately with the increase in the number of spindles: from some few thousand tons, it steadily rose to 186,200 tons in 1912.

Woven fabrics made similar headway and replaced in part the foreign goods that Italy had previously imported. From 1870 to 1890 imports of cotton yarn and fabrics fluctuated around 20,000 metric tons a year; during the five years, 1890-94, imports from abroad fell precipitately to 7,500 tons, while exportation made a timid start with 2,500 tons. By 1895 imports had fallen to a negligible figure, while exports made a fine stride, and went on increasing year by year till they attained to about 60,100 metric tons in 1911. At that time exports accounted for 35 % of the national output. After various vicissitudes we find an exportation of 83,800 tons in 1915; while the total output in that year attained to 253,000 metric tons. During the war this declined to 113,300 tons - three-fifths of the normal production - and exports declined in like measure.

Exports recovered briskly after the victory, rising in 1919 to 64,100 metric tons, and in 1920 to 65,000; but later on a variety of circumstances, and more particularly the social crisis which Italy went through between 1919 and 1922, caused production and exportation to decline in 1921 to 136,800 tons and 53,100 tons respectively, and in 1922 to 154,300 and 41,200 tons.

The advent to power of the Fascist Government created the conditions essential to the re-organization and recovery of business, and this reacted immediately on the cotton trade: by 1923 production was again on the up-grade, with an output of 160,700 tons, increasing to 174,700 in 1924; 205,500 in 1925; and 208,100 in 1926. There was a parallel increment of exports: 61,900 tons in 1923; 72,900 in 1924; and 85,200 in 1925. In 1926 exports slumped, leaving considerable stocks on the home market, which caused a decline in the production figures of 1927 (181,600 tons), while exports registered 74,800. In 1928 exports rose to 83,400 tons, while the national output was just over 200,000 tons. In 1929 a fresh advance was made both in output and exportation, the former rising to 213,000 tons and the latter to 83,600, the highest export figure so far reached.

In 1930 the Italian cotton industry felt the effects of world economic



depression and the output of both spindles and looms declined. The quantity of yarn exports, however, remained at the same level as the preceding year, while exports of woven fabrics fell. During these last years our manufacturers have been engaged in renewing old plant and fitting out their factories with the most modern equipment, with the result that the Italian industry is now in a position to vie technically with the competition of foreign countries, and should, therefore, be able to make a fresh and vigorous start as soon as the hoped for economic recovery supervenes.

## THE WOOL INDUSTRY

The Italian wool industry is of ancient date. Biella – its centre at the present day – was already exercising it in the Middle Ages with real industrial understanding.

Following on the stagnation of the second half of the XVIIIth Century, it was likewise in the Biellese district that the industry again began to flourish, achieving enormous progress in the craft.

At the present time wool is one of Italy's most important industries.

The returns for 1918 record 65,000 workers as against 38,000 in 1907, 30,000 in 1894, and 25,000 in 1876. It is estimated that in times of normal business the wool industry employs about 80,000 persons.

It is almost wholly concentrated in four regions: Piedmont, Venetia, Lombardy, and Tuscany.

The recent development of wool combing is shown in the following table:

Year	Mechanical Combs	Year	Mechanical Combs
1850	10	1920	437
1890	65	1925	624
1910	174	1928	680
1915	302	1930	754

The normal output of the Italian plant may to-day be estimated at about 18-20,000,000 kilograms of tops per annum, as against not more than 6,650,000 kilograms in 1913.

This increase in national production has caused a fall in the demand for foreign wools.

Wool-spinning, unlike worsted spinning, is usually an auxiliary process to weaving: there are, however, a number of businesses in Italy, owning a limited number of spindles, that spin wool only.

It is estimated that we have at the present time 600,000 spindles for spinning woollens and that between 15,000 and 20,000 persons are employed in this branch. The Italian output of woollen yarn completely covers the home demand.

The majority of Italian spindles for spinning worsteds are in the hands of firms that do not weave them. As in other countries, the spinning of worsteds in Italy claims much more careful attention than the spinning of wools.

The development of worsted spinning, which began in Italy in the first decade of the present century, has gone on making steady progress to the present day: the total number of worsted spindles has in fact increased from something less than 100,000 in 1894 to 260,000 in 1907, 377,000 in 1913, 435,000 in 1918, and about 587,000 at the present time. About six sevenths of the spindles are on the French system.

It is estimated that some 15,000 persons are employed in worsted spinning.

The normal output capacity of Italian worsted spindles may be estimated at about 18,020,000 metric tons of worsted yarn per annum.

Weaving is carried on in all the provinces of the Kingdom.

At the present time there are some twenty firms owning over 200 looms apiece, with an aggregate of close on 10,000 looms; the remaining 10,000, or some few more, are distributed between a great number of firms, most of them of medium size (from 50 to 100 looms). In the Biellese and more especially in the Prato district, there are also a number of small firms owning some ten looms apiece, or even fewer, most of which work on account of larger concerns.

The total number of power looms engaged in the manufacture are reckoned at about 21,000 at the present time.

Between 35 and 40 thousand persons altogether are engaged in the industry.

The total yearly output, in normal business times, may be reckoned at 80 to 100 million metres of woollen material and materials of mixed wool and other yarns, including upholstery goods, covers and carpets.

The Italian production covers the whole range of woollen manufactures, Italian plant being able to turn out everything that can be made out of wool: woollens, worsteds, women's dress materials, covers and shawls, felt and cloth for industrial uses, velvets and pile fabrics, woollen linings, carpets and rugs, upholstery and curtain goods, baize for writing and billiard tables, cloth for carriage upholstery, knitting yarns, etc.

The progress of the wool industry is reflected in the export trade of woollen manufactures. Exports of worsteds, which barely counted at all before the war, amount to a respectable figure in recent years, and consist mostly of worsteds produced from wools worked on account of foreign countries. Yarn exports, which were an almost negligible quantity at the beginning of the century, have increased steadily; in 1928 they attained to the figure of 2,000 metric tons, 1,420.79 tons were exported in 1930.

By far the most important branch of Italian wool exports consists

of woollen and mixed woollen fabrics, and the returns of these during the last twenty-five years gives the pulse of the Italian woollen industry. From 650 metric tons in 1900, they had risen to 2,900 tons in 1913, over 8,000 in 1924, and by 1925 to more than 9,600 tons. A decline is recorded in 1926 and 1927, due to the difficult period the industry was then going through. In 1928, however, exports of woollen and mixed woollen fabrics were again on the up-grade, touching the high-water-mark so far reached (9,270 tons) a value of 300 million lire. In 1930 exports of woollen goods amounted to 9,270 tons, representing a value of about 280 millions.

### THE PAPER INDUSTRY

According to statistics computed in 1862, at the time of the unification of the Kingdom the Italian paper industry counted 687 vats and only 59 machines. In 1876 the numbers had risen to 813 vats and 168 running machines. At the present time the number of vats has shrunk to 25 (being used only for making certain very special qualities of paper), while the number of machines has risen to 612, divided among 470 paper mills.

The first four of these machines, three metres wide, were installed between 1904 and 1910, and two four-metre machines were set up between 1913 and 1922.

The use of modern plant has greatly reduced the cost of production, and by now Italian requirements are entirely covered by national production, which has progressed at the rate shown below:

Metric Tons	23,995	. . . . .	in	1862
»	150,000	. . . . .	»	1903
»	296,587.6	. . . . .	»	1915
»	363,750	. . . . .	»	1927
»	323,748	. . . . .	»	1928
»	343,442.8	. . . . .	»	1929
»	342,248.8	. . . . .	»	1930

The Burgo paper mills alone – classified in German statistics as occupying the 6th place among European paper factories – with a movement of forty-five truck-loads (about 450 tons) daily of paper and raw materials, contribute about 75,000 tons yearly, or about 23 % of our total output of paper. These mills provide 80 % of Italy's total requirements of paper for newspapers, and use up to fifty truck-loads daily of wood to obtain over 60,000 tons of pulp, while using over 100,000,000 k. w. h. yearly.

Italy imports at the present time about 50 % of the wood used. We also cultivate poplars on a considerable scale for this purpose, and the Fascist rural policy should do much to promote this form of cultivation, especially in the Valley of the Po, where poplars grow very rapidly. Our

statistics show that 1,250,000 hectares of land are uncultivated in Italy, and Signor Belluzzo, when studying the question of poplar cultivation, stated that there were 19,000 hectares of land that lent itself to this cultivation along the banks of the Po alone.

If the area in question were carefully planted with poplars, Italy would be assured her whole requirements of wood pulp for paper-making in the immediate future.

Thanks to the progress made by this industry, Italy has been able to reduce her imports of rolls of paper to 50 truck-loads a month, and has exported paper to England, France and even Germany for a value of 65 million lire.

Among factors favourable to the future development of the paper industry, we must reckon the still low level of home consumption (9 kg. per inhabitant), and the possibilities offered by our natural resources, such as water-power, which offset other deficiencies.

Experiments in the manufacture of cellulose from wheat and rice straw and from esparto grass are being made, and it is hoped these may be instrumental in enabling us to obtain at home all the cellulose required by the paper industry.

## THE CEMENT, LIME AND PLASTER INDUSTRY

The earliest factories of natural Portland cement in Italy were opened at Casale Monferrato towards 1878 and in the Bergamasco province in 1888. Artificial cement works were opened at Palazzolo sull'Oglio towards 1875 and at Civitavecchia in 1900.

During the last 10 years the industry in Portland cement has greatly developed owing to its being used, in combination with iron and steel, as re-inforced concrete for building purposes.

These two new qualities of cement were followed by others, among which we may mention smelted aluminous cement, manufactured at Pola.

The manufacture of artificial cements (super-cements) of high tensile strength deserves special mention; these attain a higher breaking strength in two or three days than is obtained from Portland cement in 28 days. The manufacture of the cement known on the market as Granite Cement was started in 1924 at Bergamo, and later at Como and in other localities. The production of cement of high tensile strength is a steadily growing business owing to its increasing use in modern building.

Italy also manufactures Puzzuolana cement and blast furnace cement.

156 cement works belong to the companies controlled by the National Fascist Federation of Cement, Lime and Plaster Industries; they have 825 kilns, of which 780 are vertical and 45 rotary, and employ some 21,000 workers. The output of cement in 1930 amounted to 3,482,300 metric tons.

The cement industry is carried on in all parts of Italy, except Basilicata.

Cement imports are not an important item. On the other hand, a marked increase is recorded in our exports of the last few years. From 12,600 metric tons in 1928 it rose to 30,600 tons in 1929 and 26,900 tons in 1930.

The Italian lime industry is very extensive.

Slaked lime is used not only for building purposes, but is also much used at the present time in the manufacture of Calcium carbide, and in the most diverse industries, from steel to paper-making.

The industry in slaked lime was started in Italy towards 1850, when the first railways were being built. The first great works were opened at Palazzolo sull'Oglio (Brescia) in 1855, on the initiative of a French Company, for the express purpose of providing construction material for the Milan-Venice line. Later on the works passed into the hands of an Italian Company.

The industry is carried on in most parts of Italy; there are seven hundred and sixty-two Italian lime works owned by Companies controlled by the National Fascist Federation of Cement, Lime, and Plaster Industries; they own 1,150 kilns and employ some 6,700 workers.

The output was between 1,500,000 and 1,600,000 metric tons in 1929, 25 % of which consisted of hydraulic lime, 25 % of slaked lime, and 50 % of lime in cakes.

The Italian plaster industry is carried on actively in the Marches, Emilia, Piedmont, Tuscany and Lombardy.

Plaster factories belonging to Companies controlled by the N. F. F. of Cement, Lime and Plaster Industries number 179; they own 200 kilns and employ about 1,200 workers.

The national output of plaster in 1930 amounted to about 470,000 metric tons.

## FOOD INDUSTRIES.

**CHEESE-MAKING.** - Italian milk production ranks fifth in the world scale, while her cheese industry ranks among the first, both in quantity and variety of qualities.

According to the returns of the last industrial census (1927), Italy possesses 8,535 dairy produce factories, employing 24,155 persons. The 1911 census reported only 6,403 such establishments and 21,893 employees.

A large amount of machinery is used in the dairy industry and, as this develops and improves, there is a progressive tendency to increase the plant.

Cheese is produced in all regions of Italy. In certain parts the yearly production is very large and feeds a big trade; in others, cheese-making is confined to the spring and autumn seasons, or to the winter-spring season. Lombardy, Piedmont and Venetia have all-the-year-round industries, with the exception of the Alpine zones, where the production is divided into summer work in the Alps and winter and spring work in the valley.

Cheese-making in Emilia is carried on between March and November, and from winter to the end of spring in Latium and Sardinia.

The bulk of Italian cheeses are made from cow's milk, but sheep's milk is also used to a considerable extent, while goat's milk plays a lesser part, and small quantities of cheese are also made from buffalo's milk. In point of number of milk-producing animals, however, sheep come first. The latest census records 2,500,000 dairy cows, 8,000,000 sheep and 1,500,000 goats.

Milk production, estimated at 35,000,000 hectolitres in 1913, had risen by 1925 to about 45,000,000 hectolitres, divided as follows:

Cow's Milk . . . . .	Hl.	37,000,000
Sheep's Milk . . . . .	»	6,500,000
Goat's Milk . . . . .	»	1,500,000
Buffalo's Milk . . . . .	»	10,000
		<hr/>
Total . . . . .	»	45,010,000

The rearing of livestock for milk having considerably increased in certain provinces, in which the cultivation of industrial crops (beet, hemp, tomatoes) has been reduced and replaced by meadow-land, we may reckon the total Italian milk production at the present time to be in the neighbourhood of 50,000,000 Hl., of which about 33,000,000 are absorbed by cheese-making, producing fully 250,000 metric tons of cheese, besides 50,000 tons of butter.

The value of the milk used annually in the cheese industry may be estimated at something over three thousand million lire.

During the war there was a big decline in the export of our cheeses, but our foreign trade revived when the embargo on exports was removed.

By this time, however, our exporters found themselves in a very different position to that which they had occupied before the war, owing to the fact that several countries, Argentina for instance, being no longer able to obtain supplies from overseas, had, during the war period, begun to imitate certain types of Italian cheese and had even started to export their products; none the less our manufacturers, thanks more especially to the high quality of their cheeses, soon regained their footing in the markets they had lost and secured fresh outlets.

The types of cheese most commonly exported are: grama, reggiano, parmesan, and lodigiano, Roman pecorino, gorgonzola, bel paese, pro-

volone, incanestrato, quartirolo, fontina. Emmenthal and sbrinz cheeses must now be added to the list.

The following figures give an idea of the development of Italian cheese exportation: in 1876 the total exportation amounted to 1,815,100 kilos, in 1895 it had risen to 8,248,300 kilos, in 1905 to 17,098,900, and in 1913 it reached a total of 32,804,400 kilos, a figure that was again reached and indeed surpassed after the war, following on the normal recovery of trade, as shown by the following table:

TOTAL EXPORTS OF ITALIAN CHEESES

Year	Kilos	Lire
1913 . . . . .	32,804,400	73,675,930
1922 . . . . .	14,541,000	203,246,494
1923 . . . . .	22,895,700	331,636,742
1924 . . . . .	33,633,100	411,028,318
1925 . . . . .	39,112,700	488,527,938
1926 . . . . .	33,062,000	455,707,208
1927 . . . . .	31,787,300	413,258,577
1928 . . . . .	36,493,700	442,015,938
1929 . . . . .	32,669,000	368,844,968
1930 . . . . .	36,729,400	368,605,308

The principal importing countries are the United States, Germany, France, England, Argentine and Switzerland.

THE WINE INDUSTRY. — The Mediterranean countries are the cradle of vine cultivation, owing to climatic conditions propitious to its development.

Italy, though she is behind France in the quantity of wine produced, is nevertheless the country in which vine culture is most extensive, being grown practically everywhere, though with varying degrees of intensity.

The latest returns show that Italian vineyards have an extension of 4,294,900 hectares.

Unlike the system generally followed in other countries, however, the area under vine in Italy is not reserved entirely for this cultivation, the vine being generally grown together with other plants and vegetables.

The quantity of grapes obtained from our vineyards varies considerably from one year to another, according to weather conditions and the greater or lesser prevalence of disease, especially mildew. The production ranges from 9.6 million metric tons of grapes in 1909 to 3 millions in 1915. During the five years 1923-27, the average production rose to 6,883,700 tons, and during the last three years as follows: 5,795,800 tons in 1927; 7,496,000 tons in 1928, and 6,204,200 in 1929, and 5,583,700 in 1930.

A small percentage of the grapes is reserved for table use. The

average consumption for this purpose has heretofore accounted for about 2 % of the total production; in 1928 and 1929, however, it rose to about 4 %, thanks to a salutary campaign in favour of fruit eating and also owing to the fall in prices.

An almost negligible quantity is assigned to the preparation of grape syrups, which are in fact concentrated must, sometimes corrected by a slight addition of saccharose and more rarely flavoured with various essences (orange, citron, and such like). The remainder is used directly for wine fabrication.

The following table shows the production of wine from 1922 onward:

1922	. . . . .	Hectolitres	35,585,000
1923	. . . . .	»	53,948,000
1924	. . . . .	»	44,714,000
1925	. . . . .	»	45,367,000
1926	. . . . .	»	37,076,000
1927	. . . . .	»	35,650,000
1928	. . . . .	»	46,822,000
1929	. . . . .	»	41,000,000
1930	. . . . .	»	36,318,000

Considered in relation to the world output of wine, the Italian production comes next in importance after the French. Recent statistical returns show that the average world production is estimated at something over 190 million hectolitres, of which a little over 160 millions is produced in Europe.

Thus Italian wines represent more than one fifth of the world production and one quarter of the European production.

Wine production, and still more so the wine industry proper, is unequally distributed throughout the different regions of Italy.

Emilia yields the biggest quantity, followed by Piedmont, Campania, and Tuscany, then Sicily and Apulia, Lombardy, Venetia, and Latium.

The situation is different in regard to the finer classes of wine.

Most Italian wines are a direct product of the alcoholic fermentation of grape juice, or "must", without being specially treated afterwards, the greater part of the output being consumed in the course of the year.

Machinery is coming more and more into use in the preparation of ordinary table wines, so that the production is taking on the character of an industry proper, and this is particularly the case in respect of the preparation of select, superior table, or special wines.

Among the better known table wines we may mention the Piedmontese wines (Barbera, Grignolino, Freisa), certain wines of the Alto Adige, Veronese wines, Chianti, Rufino, and Montalbene in Tuscany; Orvieto, and the wines of the Castelli Romani (Frascati, etc.).

To the second class belong Barolo, Barbaresco, Gattinara, Ghemme, Sassella, old Chianti, Carmignano, white and red Capri, Vesuvius, Corvo, etc.



Lastly, among special wines, in addition to liqueurs and raisin wines, Vermouth, Marsala, and sparkling wines – more especially Asti Spumante – occupy a foremost place.

The following table records Italian wine exports during the last eight years:

Year	Wines exclusive of Marsala and Vermouth				Marsala		Vermouth	
	In barrels Hl.	In flasks Hl.	Bottled non sparkling (hundreds)	Bottled sparkling (hundreds)	Barrels Hl.	Bottled (hundreds)	Barrels Hl.	Bottles (hundreds)
1923	697.094	33.121	16.368	6.076	7.553	3.293	44.056	23.688
1924	2410.648	47.663	19.278	4.918	9.430	3.481	36.363	29.799
1925	2272.856	55.487	22.777	4.686	12.490	4.094	45.363	37.716
1926	855.875	56.686	26.585	5.245	10.515	5.153	61.958	30.784
1927	843.720	37.406	21.828	4.420	9.513	4.178	83.362	33.273
1928	692.828	48.133	7.717	4.667	8.699	3.245	84.417	39.269
1929	739.784	49.420	3.580	4.425	6.638	3.602	93.788	40.110
1830	853.843	49.124	2.752	4.159	7.118	2.334	84.349	29.041

With the exception of wines in flask and vermouth, a big decline is recorded in exports of all Italian wines, the reasons for which it is not possible to analyse here. We will merely state that the exportation of ordinary wines cannot, for obvious reasons, be constant, but is liable to ups and downs according to the demand, the production of competing countries, and the home price.

THE LIQUEUR INDUSTRY. – Italy is beginning to get a footing in the home and foreign markets by the production of really fine and delicate liqueurs: strict adherence to characteristic national types should ensure our making steady headway.

Some of the Italian *aqua vitae*, obtained principally from the husks of the grapes after pressing – known also as grappa, brandy, etc. – are of good quality. The quality known as cognac is made from wine and matured in oak casks, from which it acquires the characteristic colour and taste. Besides these there is *acqua vitae* of marasca cherry – the popular *maraschino* – produced at Zara.

Italy's production of sweetened liqueurs is of many and diverse qualities, if not very extensive in quantity. Some of these are distinctively sweet; others are more or less bitter, owing to the addition of bitter drugs, while another class contains medicinal essences.

Our foreign trade in liqueurs is not of much importance. Imports amount to some 3 to 4 thousand hectolitres yearly. Exportation is strictly limited so far as *acqua vitae* is concerned, while a fair trade

is done in liqueurs, especially tonic ones, of which some 30,000 hundreds of bottles are exported each year.

Notwithstanding difficulties due to many and different causes, there is reason to hope that the Italian liqueur industry may develop. And the more strictly we keep to the production of typically Italian liqueurs, based on essences derived from the national flora – so rich in herbs, flowers, and fruit, produced under the most diverse conditions, from alpine to semi-tropical zones, and consequently capable of furnishing the most varied and delicate taste – the greater will be our chance of success.

### THE CANNED FOOD INDUSTRY.

Both vegetable and animal products play a part in the Italian canned food industry.

There are at the present time over 600 factories in Italy, with an aggregate capital estimated at 500 million lire, engaged in preserving and canning vegetable produce. 300 factories, with an aggregate capital of over 150 millions are engaged in canning animal products.

Over 60 million lire are paid out yearly in wages and salaries in the industry.

The vegetable preserving industry, as shown above, is much the more important of the two.

The influence exercised by the canned food trade on Italian agriculture and on the nature and quality of the crops sown has greatly enhanced the value of the land in the areas concerned.

The industry varies considerably according to regional characteristics, and three quarters of its activity is concentrated in Campania (Naples and Salerno), where there has developed the most varied and complete cultivation of both vegetables and fruit for canning, the production finding much favour on the home and foreign markets.

The principal importing countries of Italian canned vegetables are: the United States; Great Britain; Argentina; Belgium, and France. The table below records the progress made in exportation (table 1).

Years	Jams, jellies and other fruit preserves		Fruits and vegetables preserved in vinegar, brine and oil		Canned Tomatoes (Met. Tons)			Total Value in thousands of lire
	Met. Tons.	1000 lire	Met. Tons.	1000 lire	Total	peeled	1000 lire	
1924	2,002.2	12,159	19,722	71,358	64,488.4	29,272.4	200,144	283,661
1925	2,229.6	15,113	19,271.3	73,012	97,246.9	56,839.2	295,407	383,531
1926	2,899.1	20,604	11,204.9	40,771	100,657.2	58,077.	223,313	388,687
1927	2,493.2	15,266	7,083.6	28,216	96,702.9	56,537.5	255,997	299,48
1928	3,165.6	17,361	7,789.2	31,219	93,602.4	60,123.2	249,288	298,116
1929	2,975.7	15,641	7,471.7	30,385	37,958.8	82,951.1	367,865	414,151
1930	3,704.6	17,211	6,766.5	29,243	74,556.1		195,133	

With a view to the improvement and development of this industry, the National Institute of Preserved Foods was established in 1923, charged with the supervision and control of the preparation of both vegetable and animal preserves.

This Institute has promoted a series of legislative measures and regulations with a view to regulating the production of canned food-stuffs. It has further made close contact with the Fascist syndical organizations, and by this means has been successful in regulating the cultivation and sale of tomatoes grown for the industry, as well as in promoting a higher standard of quality and an increase of exports.

### THE ITALIAN SUGAR INDUSTRY

At the close of the war, the Italian sugar industry had to face serious problems for its development, which demanded quiet political and business conditions. The advent to power of Fascism created an atmosphere favourable for this development, which went through two distinct phases.

The first phase lasted from 1922 to 1925. During this period the industry was called upon:

- 1) to study and experiment the form of beet purchase contract best suited for cultivation in Italy;
- 2) to bring its plant up to date, and enlarge it to meet the demands of production, in order that this might cover home requirements which were constantly growing.

The studies of cultivation contract resulted in the contract subject to revision of the sugar content, stipulated for the 1926 season, an important document which bears witness to what can be achieved by collaboration and mutual understanding between producers: in this particular case, between farmers and manufacturers.

The progress of the industry during this period was very striking: between 1923 and 1924, 17 new sugar factories were built and several of those already working improved their plant. The Italian sugar industry at the present day need not fear comparison with that of any other country. The 53 sugar factories now working can use daily over 50,000 metric tons of sugar beet and produce over 6,000 tons of sugar. Thus in less than 60 working days they are in a position to cover the whole consumption of Italy, which amounts at present to about 340,000 tons of sugar per annum.

The second phase extends from 1926 to the present day and may be described as that of the beet battle and victory.

The exceptional position of the sugar market immediately after the war, when the price of this commodity rose to a very high figure, created the illusion that this state of things would go on indefinitely. So strong

was this impression that the duty on sugar, which the Alessio tariff had fixed at 360 gold lire per metric ton in 1921, was entirely suspended in Italy.

But the situation soon settled down to the level of hard fact. With the re-organization of the European sugar-beet industry, world output rapidly outstripped world consumption, giving rise to the slump in prices on the international market which is still causing so much trouble in all producing, and especially in exporting countries. The fact that the price of sugar, which immediately after the war had risen to over 100 pounds sterling per ton, has fallen by degrees during these last years to less than £10 per ton, gives some idea of the extent and intensity of the crisis. At the present time sugar on the international market sells at nine and a half pounds per ton, the lowest price registered during the last thirty years.

It is to the credit of the Fascist Government that it clearly foresaw the menace threatening the national sugar industry as a result of this crisis, and took prompt measures to meet it as it grew more and more acute, by increasing the customs duty on sugar till, by the decree of the 31st December 1928, it was raised once again to the original figure (Alessio tariff of 1921) of 360 gold lire per ton. Thanks to these measures, which showed the Government's resolve to encourage home production in order that Italy might become self-supporting in respect of this commodity, the sugar beet drive proceeded strenuously during the period under survey and at last achieved its victory.

The data set forth in the following table are eloquent of the success attained in the brief period of four years, from 1926 to 1929. The figures for 1925, during which year the effects of the suspension of the duty on sugar were most keenly felt, serve as a term of comparison:

	YEARS				
	1925-26	1926-27	1927-28	1928-29	1929-30
Area sown (hectares) . .	55.113	79.755	93.654	112.120	116.128
Beet production (metric tons) . . . . .	1,173,122.9	2,406,008.8	2,064,461	2,817,909.2	3,060,000
Average Sugar content of beet . . . . .	—	15.16	16.18	16.30	16.60
Average beet yield per hectare (kilos) . . .	21,300	30,200	22,000	25,100	26,300
Refined Sugar (met. tons)	141,111.2	281,423.8	247,819.8	345,674.5	391,843
Yield (Net weight)	139,700.1	278,609.6	245,341.6	342,217.8	337,924.6
Average Refined Sugar yield per hectare (kilos)	2,535	3,493	2,619	3,052	3,340
Home Consumption (metric tons) . . . . .	319,743.2	323,683.3	343,465.7	355,112.7	340,000
Deficit (—) or surplus (+) of production in relation to consumption. (metric tons)	— 178,632	— 42,259.5	— 95,645.9	— 9,438.2	+ 51,843

Thus it is seen that in 1929 the Italian sugar beet industry not only covered home consumption, but yielded a surplus of more than 50,000 metric tons. We have attained our purpose. We did not and do not aim at going beyond this, because the present conditions of our production do not permit of Italy becoming a sugar-exporting country. But there is a margin for development in home consumption that justifies the best hopes for the expansion of sugar beet cultivation and the sugar industry of our country.

# LA RASSEGNA ITALIANA

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Editor: TOMASO SILLANI

*La Rassegna Italiana* was founded in 1918 by Tomaso Sillani under the patronage of eminent political men and brilliant writers. It has achieved for itself in these thirteen years great authority and importance both in the country and abroad. It counts amongst its contributors the best known Italians in the world of politics, letters, arts and science. In a series of special chronicles it records political, literary and musical events, with particular reference to foreign countries. A section of the review is dedicated exclusively to Italian and foreign colonial problems and to the politics of Italy and of European powers in the Mediterranean.

The following excerpts represent two foreign opinions:

"Although the *Rassegna Italiana* is only in its first year, it can fairly claim to have established for itself a settled place in the ranks of the great reviews, not of Italy alone, but of Europe generally. This has been made possible not only by the uniform distinction of its artistic and literary articles and chronicles month by month, but more particularly by the authoritative record it has provided of world-politics from the Italian Nationalist point of view. Add to this list that there are articles by leading members of the Italian Government and Senate and it will be seen how strong a position the *Rassegna Italiana* maintains in the authority and distinction of its contributors.

.... To all students of foreign politics desirous of making good this defect in their sources of information the numbers of the *Rassegna Italiana* during its first year of existence may be thoroughly recommended".

from the *Westminster Gazette*, London, (April 26. 1919).

"*La Rassegna Italiana*, the most important Italian periodical of today; is an acknowledged leader in the highest European literary circles (*Italy's leading magazine*)".

from *Current History*, New York (vol. XXVI, No. 2, May 1927).

## *Subscription rates: ninety Italian lire annually.*

*La Rassegna Italiana* has taken a very keen part in world war and peace treaty debates, concerning itself especially with questions regarding Eastern Europe, the Adriatic, Asia Minor and North Africa. It has on sale a special collection comprising the years from 1918 to 1921 inclusive:

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Piazza Mignanelli 25 - ROMA (Italy).

# APPENDIX





# Bansicilia Corporation

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BANK OF SICILY TRUST COMPANY, NEW YORK  
AND BANCO DI SICILIA, PALERMO, ITALY

## Bank of Sicily Trust Company

487 Broadway

New York, N. Y.

DEPOSITARY OF THE FUNDS OF THE  
STATE AND THE CITY OF NEW YORK

*AFFILIATE OF:*

BANCO DI SICILIA, PALERMO, ITALY  
AND BANSICILIA CORPORATION

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## NOTES ON THE BANCO DI SICILIA

The economic progress of Sicily depends principally on the prosperity of her agriculture and, with that in view, the Banco di Sicilia has pursued for years a constructive financial policy intended to stimulate, encourage and assist the agricultural industry of the island.

In 1927 alone the Banco di Sicilia invested, in farm credit operations, 153 million lire in small loans to farmers and 50 millions in long term loans for improvements, changes in crops, etc.; it took over the Banca Autonoma di Credito Minerario in order to coordinate and unify the various enterprises operating in each mining district; it set aside a special fund as a working capital of the Credito Zootecnico in order to encourage the raising of livestock; it founded the Istituto Vittorio Emanuele III for the reclamation of lands in Sicily; it organized general warehouses; created the Foundation for the Educational and Economic Improvement of Sicily; arranged annual competitions for grain producers, for whom it instituted the prize known as the "Targa del grano"; created a special Regional Consortium for the development of the fruit industry; promoted, in cooperation with the Ministry of National Economy, and subsidized special experiments to encourage the raising and exportation of selected vegetables; founded the Association for the tourist development of Sicily, with the object of making better known the beauties with which the island has been blessed by both art and nature.

The rapid and remarkable growth of the Savings Institution of the Banco di Sicilia deserves special mention, for it is today, after twenty years of existence, one of the most conservative and powerful of its kind in Italy. It has its own resources of more than 600 millions of lire, with which it finances to a great extent the Farm Loan Bank of the Banco di Sicilia, grants loans to Provinces and Municipalities for certain works, encourages the construction of workingmen's homes and participates in various consortiums instituted under the auspices of the Fascist Regime to foster public services and national welfare.

The Banco di Sicilia, being one of the leading banks in Italy, has always taken an active part with other government institutions, as well as with other large commercial banks in Italy, in carrying out financial policy of a national character designed to safeguard and promote the financial and economic development of the country.

The beneficent action of the Banco di Sicilia extends to the Italian Colonies and to those foreign countries in which considerable numbers of Italians are settled.

In Tripoli (North Africa), it maintains an important branch; in Cyrenaica (North Africa), the branch of its Farm Loan Bank operates; in the Aegean Islands there are branches in Rhodes and in Coos; in New York there is an Affiliate, the Bank of Sicily Trust Company, which in a few years has opened four branches in the more thickly populated Italian quarters, winning the admiration of our nationals whose interests

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PRESIDENT AND GENERAL MANAGER

GRAND' UFF. SALVATORE BADAMI

Capital Funds and Reserves . Lit. 425.000.000

Total Resources . . . about > 4.000.000.000

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Alcamo - Avola - Bagheria - Barcellona -  
Caltagirone - Caltanissetta - Canicatti - Ca-  
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- Enna - Fiume - Francavilla di Sicilia -  
Francofonte - Gangi - Gela - Genoa -  
Giarre - Grammichele - Lentini - Leoforte  
- Lercara - Licata - Lipari - Marsala - Maz-  
zara del Vallo - Menfi - Messina - Milan  
- Milazzo - Mistretta - Modica - Monreale  
- Nicosia - Noto - Palazzolo Acreide - Pa-  
lermo - Pantelleria - Partanna - Paternò -  
Patti - Petralia Sottana - Piazza Armerina  
- Porto Empedocle - Racalmuto - Ragusa  
- Ribera - Riesi - Riposto - Rome - Salemi  
- S. Agata di Militello - Sciacca - Syracuse  
- Taormina - Termini Imerese - Trapani -  
Trieste - Vittoria - Vizzini - Tripoli d'Africa  
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it effectively protects. Lastly, it has taken a conspicuous part in the capitalization of the Banca Italiana di Credito in Tunis (North Africa), thus showing tangibly its sympathy with that important Italian nucleus and further enhancing its prestige.

The Banco di Sicilia was established by the Government of the time with an initial capital of 36,000 ducats (equivalent to about 165,000 Italian Lire). In the year 1926 it gave up the governmental privilege of bank note issue, but was placed under a more liberal banking law, which has enabled the institution to command wider fields of activity and today it has capital funds of about 425 millions of lire and manages resources amounting to about two billion lire.

Through its well directed and efficiently organized departments, it carries on all banking operations: commercial, investments, savings, farm loans and mining credits.

This is certainly a fine and unique example of a great and powerful credit institution which, while holding strictly to its tradition of probity, and attending unceasingly to the development and improvement of its facilities, has at the same time been able to initiate and carry out, under the guidance of its Director General, Salvatore Badami, who is a follower of the Fascist Government and a faithful interpreter of its spirit, a fruitful work of progress truly worthy of the region of which it bears the name.

# BANCO DI NAPOLI

Established A. D. 1539

## THE OLDEST BANK IN THE WORLD

MAIN OFFICE - NAPLES - ITALY

Capital Surplus Lire 1.342.000.000

Total resources about Lire 9.000.000.000

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Agency N. 2 - 353 E. 149th Street

### AFFILIATIONS:

BANCO DI NAPOLI TRUST COMPANY OF NEW YORK

526 Broadway

BANCO DI NAPOLI TRUST COMPANY OF CHICAGO

906 S. Alsted Street

# BANCO DI ROMA

SOCIETÀ ANONIMA

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HEAD OFFICE IN ROME - ESTABLISHED IN 1880

OVER 100 BRANCHES IN ITALY

### BRANCHES IN THE ITALIAN COLONIES

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Malta: La Valletta - Turkey: Istanbul, Izmir -

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quié, Tripoli - Palestine: Caiffa, Jaffa, Jerusalem.

REPRESENTATIVE OFFICES in Berlin, London, New York

*Affiliations:* BANCO DI ROMA (France): Paris, Lyons

BANCO ITALO EGIZIANO: Alexandria, Cairo, Mansourah,

Tantah, Beni Mazar, Beni Souef, Fayoum, Mit

Ghamr Minieh, Benha.

# A NEW ITALIAN CORPORATION IN NEW YORK

## THE BANCO DI NAPOLI TRUST COMPANY

The recent opening of the Banco di Napoli Trust Co. of New York marks a red-letter day in the annals on the Italian colony of New York.

The new Corporation's headquarters are located at the office of the Bank's Agency in Broadway, entirely renewed and re-decorated for the occasion, though still preserving its plain business-like aspect.

The Trust Co. was inaugurated on the 24th May of last year and ever since that date has carried on business on strictly prudential lines, making cautious but steady progress.

The figures below show the situation of the Trust on the 30th March of this year:

### ASSETS

Cash in hand . . . . .	\$.	79,252.30
Deposits . . . . .	„	3,398,695.77
Securities . . . . .	„	6,966,923.23
Loans and Discounts . . . . .	„	865,753.37
Acceptances Customers' acc/. . . . .	„	580,103.09
Sundry Debtors . . . . .	„	254,647.13
		<hr/>
	\$.	12,145,374.89
		<hr/> <hr/>

### LIABILITIES

Capital . . . . .	\$.	1,000,000.—
Statutory Reserve . . . . .	„	700,000.—
Special Reserve . . . . .	„	13,083.59
Undivided Profits . . . . .	„	24,584.68
Deposits . . . . .	„	7,271,333.19
Commercial acceptances . . . . .	„	580,103.09
Sundry Creditors . . . . .	„	54,884.75
Securities held . . . . .	„	2,501,385.59
		<hr/>
	\$.	12,145,374.89
		<hr/> <hr/>

The fact that at the close of a few months' business the new Trust has been able to write in \$ 13,083.59 to the Special Reserve bears witness to the strictly scrupulous policy followed in its administration and has resulted in a profit of \$ 24,584.68.

Without the least wish to depreciate the activities of other banking concerns of the kind, we would point out that, given the Trust's brief business career and the unusual conditions of the money market, the amount of deposits received by it is worthy of note, especially when compared with the record of other Italian corporations that have been doing business in New York for several years.

It must be remembered that the United States was already in the grips of the general economic depression at the time of the opening of the Banco di Napoli Trust Co.: money was extremely cheap; the investment market sluggish and distrustful; the production and trade of the leading industries falling steadily, while the number of business failures and bankruptcies was rising.

In these adverse circumstances, the Banco di Napoli Trust Co. followed in New York the traditions of the old and well-famed Italian Bank, devoting its activities to prudent and conservative operations, although these are the least remunerative.

In view of prevailing conditions, the item "Loans and Discounts" has deliberately been kept very low. Similar circumspection has been exercised in regard to investments: only first-class securities offering the safest guarantees and selected from among those authorized as legal investments for Savings Banks of New York State being considered.

The Trust Co. has not yet applied for admission to the Federal Bank System, nor do we know whether it will apply to be admitted. The fact of belonging to it would not secure it any advantages so far as its trustee functions are concerned; and as for banking functions, it is doubtful whether the American trustees belonging to the system, who were impelled to join it by conditions created by the war, have derived any substantial advantages from doing so. The Trust's acceptances moreover, are already classified among the best and can be discounted at the lowest rate obtainable: viz.  $1\frac{1}{2}$  per cent.

Owing to the prestige of the name it bears – a name dear to Italians, and especially South Italians, who form the largest contingent of our emigration to the United States – and the splendid record of the Bank of which it is an emanation, as well as the privileges the Bank enjoys in Italy, the future of the Trust is full of the highest promise.

The Italian colony of New York, long accustomed to hard work and innured to thrift, should not forget the remote origin of the Bank of Naples: this was due to the initiative of a few Neapolitan gentlemen who, being anxious to assist the oppressed people and to rescue them from usury, founded in 1539 that merciful institution, known as the Monte di Pietà (Pledge Bank) which, later on subject to numerous transformations, formed the framework of the oldest bank in the world.

THE  
BANCA COMMERCIALE ITALIANA  
in the  
UNITED STATES

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# THE NATIONAL CITY BANK OF NEW YORK AND ITS AFFILIATES

The National City Bank of New York was established in 1812 with a paid-in Capital of \$ 800,000. Total Resources on December 31, 1930, amounted to \$ 1,944,244,000. It has one hundred branches in twenty-four foreign countries in addition to fifty-two branches in Greater New York. The National City Company, its investment affiliate, has more than fifty offices located in the principal cities of the United States and Canada, many of which are connected by a system of 11,000 miles of private telegraph wire. The Bank has correspondents in every important city of the world.

The National City Company maintains the world's largest investment distributing organization with business limited strictly to the purchase and sale of securities. It underwrites and distributes the bonds of foreign Governments as well as the bonds and shares of foreign corporations and American shares of foreign corporations.

The International Banking Corporation, absorbed in 1926, was founded in 1901 to specialize in foreign business.

On August 17, 1922, the Banque Nationale de la République d'Haiti began to operate under a Haitian charter under the direct supervision of The National City Bank of New York.

In 1929 The Farmers' Loan and Trust Company, now the City Bank Farmers' Trust Company, one of the oldest and most respected fiduciary institutions of the country, became affiliated with the City Bank. This event completed the rounding-out of City Bank services and gave the organization influential representation in commercial banking, investment banking and trust fields, under one executive group, headed by Charles E. Mitchell, Chairman.

On February 24 of this year the City Bank Farmers Trust Company opened its new 54-story building occupying the block bounded by William Street, Exchange Place, Hanover Street and Beaver Street, New York City.

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# The National City Bank of New York

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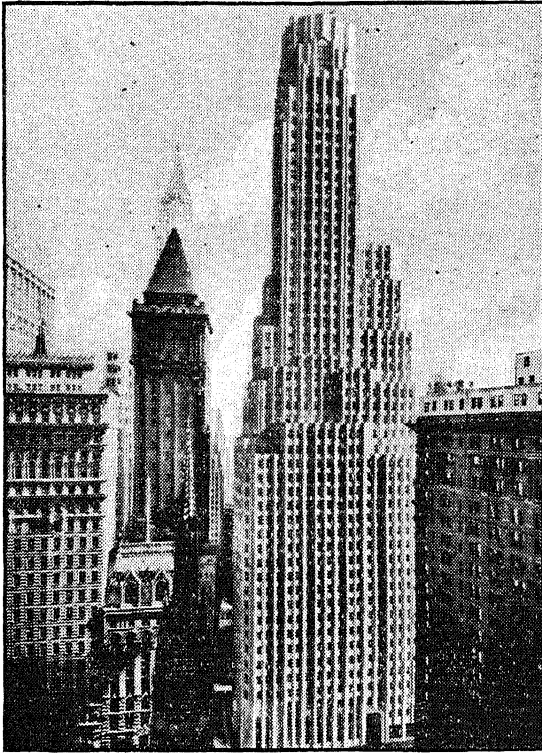
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The subject, the scale on which it is treated, the unity of the scheme in the illustrated part are quite new in the History of Pompeian and Roman painting, though already rich in beautiful documents.

Since the first studies the fresco appeared to represent a religious worship of a mysterious and secret character, that gave the suggestive and right name to this building, the Villa of Mysteries.

At the end of the book are illustrated the frescoes of the other rooms and the mosaic decoration of the floors, and in the last chapter are published all the archeological materials found in the excavation: among others the beautiful marble statue of the Empress Livia. Besides its artistic value, it represents the most prominent document on the history of the villa in the first period of the Empire.

This publication comprises the text and an additional volume of coloured plates under separate cover.

The book contains 270 pages of text, measuring 28 × 40 cm. printed on Nippon paper, with 121 illustrations in roto-gravure in the text, 13 rotocalcographic full size plates, 5 full size plates of charts, and a small general map of the whole excavation.

The case contains 18 big mounted plates in colour of the chief fresco discovered, measuring 36 × 48 cm.

These are bound in parchment, gilt, in a first Italian Edition of 500 copies numbered from 1 to 500, at the price of 800 L. (volume & map).

*The English issue of 'The Villa of Mysteries' will appear shortly.*



SILENUS AS MUSICIAN

(FROM THE PUBLICATION: A. MAIURI - LA VILLA DEI MISTERI)

# THE MEDICEAN CODĒX OF VIRGIL AT THE BIBLIOTECA LAURENZIANA OF FLORENCE

This is a perfect fac-simile of the most complete and most ancient manuscript of the works of the great Poet that we have.

The Manuscript belongs to the IV Century, measures about  $16.6 \times 21.6$  cm., and contains 221 sheets, of which 220 are original. There are thus 440 pages of 29 lines each, written in rough capital letters on thin parchment, containing the Eclogues from verse 48, all the Georgics, and the Aeneid.

It is quite probable that from Rome, where the manuscript was in the year 494, having passed to the library of Cassiodorus, it was transferred with this to the Benedictine Monastery of St. Columbanus in Bobbio, where it remained at least till 1461. In 1472 it was in the Roman monastery of St. Paul, of the same Benedictine order; after remaining a short time at the Vatican Library it passed into the hands of the Bishop of Nocera, Angelo Colacci. It belonged afterwards to the Del Monte family. Francis I De' Medici got it from the heirs of Cardinal Innocenzo Dal Monte; they took it away from the Vatican, where it had been put again. At the Laurenziana, the Medicean library, the Manuscript arrived towards 1589, deprived of a sheet, that had been numbered 157 in the IV Century, which had remained in the Vatican library, as being part of the Codice Vaticano Lateranense 3225. The Manuscript since then has always been in the Laurenziana Library, except during its exile in Paris, to which the red seals at the beginning of the volume and on the writing of the last page of the Aeneid bear witness.

The reproduction of this Manuscript, done in polichrome photoprint by the Poligraphic Institute of the State, has been executed with extreme care. The latest processes of photographic and photo-mechanic technique have been used, so that every small detail of composition, colour and aspect of the parchment could be reproduced with the greatest faithfulness and accuracy.

Of course the reproduction is in every way perfect and scrupulous. By kind permission of H. H. Pius XI, the lacking sheet has also been reproduced and occupies its original place in this fac-simile. Complete and reintegrated, it is published for the use of scholars and amateurs of all the world.

Two editions have been printed :

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One of 45 numbered copies on Japanese paper, bound in leather and wood plates, Medicean type . . . . .	5.000 L. each

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MINIADINEFERRUBITROLIBERTINIAUEDANI  
ILLUMINDIGNANLISIMILEMSIMILEMO. MINANTI  
ASPICIERESTONTI MAUDEREIQUINGULLINCOCHLES  
ETFLUUIUMUINCISISINNAITCLO ILLARUPIS  
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ROMULIO. RECINSHORREBATREGIACULIO  
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DIFINSITINIDRIS. IIPDONOCTISOPACNE  
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CESSAMINUSCUTISPROTELLICORPORALONGIS  
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