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ITALY-Economic

What Has Been Done In Southern Italy Since The War.

SOURCE ROME : R.F.E. Researcher
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EVALUATION COMMENT : This is an interesting account of the efforts made by Italy to alleviate the dire poverty which has afflicted the southern part of that nation.

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The south point of Italy has always been the poverty-stricken southern areas, where there is no industry and only the most primitive agriculture is the sole means of sustenance. Once it was one of the richest parts of MAGNA GRECIA with many big, prosperous towns, a well developed commerce and intensive agriculture. Since the fall of ancient Greece it has been subjected to centuries of invasion and economic plunder. The greatest damage was done by deforestation which reduced the rich mountain and coast lands to arid slopes and coastal swamps with a consequent reduction of the water table, the greatest hinderance to any economic development of these areas.

The poorest provinces of the South were and still are: Puglie, Calabria, and Lucania (Basilicata), while the island of Sicily was the richest up to the time of the unification of Italy, for, though it has a very small amount of arable land, it is extremely fertile, yielding three crops annually, and Sicily has a free market for its agricultural products without being burdened by overheavy taxation and customs duties.

After 1871 nothing was done to help any of these areas and their situation grew worse because

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of the exorbitant taxation going mainly to help to build-up the industries of the North. Sicily succumbed to the same poverty as the other southern provinces.

The situation hardly changed up to World War II. The South, with its water shortage, poor soil, few communication roads and the greatest demographic increase of the whole country has made a striking contrast to the northern areas.

Mussolini's Government did hardly anything except to reduce the endemic malaria in these areas and to drain the Pontine Marshes, which was an improvement in one particular area, leaving out the rest.

The administrative areas of the South are the 7 regions of ABRUZZI and MOLISE, CAMPANIA, PUGLIE, LUCANIA (Basilicata), CALABRIA, SICILIA and SARDINIA. These are divided into 31 provinces. Many of these are subjected to chronic winter flooding and summer drought. Whole communities are without even the basic amenities of life and without any water supply, having to buy at high rates what water they consume.

A few statistics will illustrate the contrast between North and South. Industrial production in this area represents 5.9 per cent of the nation's; power production - 10 per cent of the whole. More than 50 per cent of the houses are overcrowded. The population employed in industry in the South is 7,8 per cent against 16,6 per cent in the rest of Italy; car owners are 6 per thousand in comparison with 20 per thousand in the rest of Italy. The average income per capita is 34 per cent lower than in the North. (Statistics valid up to the end of 1952.)

Now, for the first time in Italian history, the post-war Government has taken an active and rational attitude toward the age-old problem with an organic program of investments. The reconstruction of the South has been as efficient and intensive as that in the North, although the North was more damaged during the war. One of the more important decisions of the Government was the creation of the Southern Investments Fund (Cassa di Mezzogiorno) which program carries out coordinated work of land drainage, agrarian reform, reforestation, construction

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of aqueducts, roads, etc.

This program is being carried out over a period of 10 years, starting in 1950; and besides raising the standard of living of 40 per cent of population of Italy (in 1936, the population census for Southern Italy showed 15,000,825; that of 1952, an increase to 17,379,655) will also contribute to the widening of the nation's markets by increasing production.

To illustrate the progress achieved during the post-war period until the summer of 1952, it is necessary to turn to some statistics.

In 1938, accommodation rooms available were 11,401,200. In 1944 one third of these had been destroyed. Up to 1952 there had been provided rooms for 2,378,830 persons.

Another example; before the war, the average annual number of rail journeys taken in the South was 20 million (21,264,000 tickets were sold in 1939).

In spite of the war, in which 70 per cent of the rolling stock and 60 per cent of the railroad installations and constructions were destroyed the entirely reconstructed and modern railway lines have doubled the number of journeys. (In 1951, 38,366,000 railway tickets were sold).

In 1939, 105,429 vehicles, including private cars, trucks, motorcycles, were registered. In 1950, 170,433 vehicles excluding various kinds of motorscooters, were registered.

These numbers show not only the reconstruction of Italian industrial plants, factories, shops and railways, but also a continuous increase in the purchase power of the population, increased commercial and industrial traffic and subsequently a higher standard of living. The industrial production of the South is higher than it was before the war.

Electric energy: The output of hydro-electric stations amounted in 1938 to 526,961 Kw.; in 1951, to 813,887 Kw.

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In the thermal-electric sector, in 1938 - 174,406 Kw. in 1951 - 228,910 Kw.

The total production of hydroelectricity was 1,784,483,000 Kw. in 1938, 2,763; 729,000 Kw. in 1951.

The production of thermal-electric power was 234,738,000 Kw. in 1938, 584,680,000 Kw. in 1951.

With reference to maritime traffic, in 1944, shipping was at a standstill and practically all port facilities had been destroyed. Today in the South almost everything has been repaired and new plants and new port constructions have increased the possibility of greater maritime development.

In the agricultural sector, thanks to the Southern Investments Fund, the work is proceeding carrying out the program of land-improvement of 3,500,000 hectares, the construction of 50,000 modern homes for agricultural workers, 158 new rural towns, 2,800 centers of agricultural plants, 50,000 kilometers of new roads and the construction of 20,000 wells and cisterns.

Part II.

Program and realization of Enterprises carried out by the Southern Investments Fund (Cas-a di Mezzogiorno).

On the 10th of March, 1950, the President of the Italian Council of Ministers announced a ten-year plan of investment for depressed areas, which include South and Central Italy. The amount of the investments was to be 1,200 billion Lire for the 10 year period. (See Note Below)

(120 billion Lire per year), of which approximately
440 billion Lira were to be ear-marked for land drainage projects and land improvement,
110 billion for aqueducts,
280 billion for Land-Reform (including 20 billion Lire for agricultural plants),
120 billion for roads.

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Of These 120 billion per year, 100 billion were ear-marked exclusively for the South.

The law became effective on 16 September, 1950, and the Administrative Council created was called "Cassa di Mezzogiorno".

The Southern Investment Fund is an organ of wide autonomy and elasticity, thus being able to act rapidly without bureaucratic delays. The governmental control has been assumed by a Ministerial Committee, presided over by Secretary of State CAMPILLI, whose duty is to form general plans, approve of annual programs, etc.

The report of the works effected and the financial reports are presented by the Fund to the House of Commons at the end of every financial year.

On 6 November 1950, the Ministerial Committee presented the following plan of enterprises to be carried out during the ten year period:

1. Land drainage, irrigation and contributions for land-improvement 440 Billion Lire.
2. High land reclamation in mountainous areas - 50 billion Lire.
3. Agrarian Reform (includes 20 billion for agricultural machinery) 280 billion Lire.
4. Aqueducts - 110 billion Lire
5. Roads - 90 billion Lire
6. Enterprises of touristic interest - 30 billion lire

It has also been established that private people who directly benefit by the land improvement will contribute up to 12.5 of the general cost.

They will be given various credit facilities by various specific Banks. The irrigation works, mountain reservoirs and controlling of rivers and streams will be totally

financed by the State (see note at end).

In its first year, that is, up to 31 October, 1951, the Fund approved works to the sum of 87,601,578,417 Lire, making contracts to the amount of 60,655,844,587 Lire.

Among the most important works carried out for which contracts were made and construction begun in 1950, are the following:

Land drainage project of Campidano. - consisting of rational control and utilization of the River Plumendosa, which often is subjected to floods. The construction of three big dams was begun over the River Plumendosa and over feeder streams RIO MULARGIA and LUMINEDDU, creating thus three big reservoirs of 405 million, cubic meters, capacity. The water will serve for land irrigation and the production of electric power, etc. The cost of the work will amount to 20 billion Lire.

Irrigation, utilizing the River Ofanto. This project will permit the irrigation of more than 24 thousand hectares of land belonging to the three provinces of FOGGIA, BARI, and POTENZA.

The projects include the construction of three water reservoirs on the three feeder streams of OFANTO. The first one of 22 million cubic meter's capacity, constructed at Abate-Alonia on the Rendina Stream, second of 12 million cubic meters capacity on the River Osento and the third of 36 million cubic meters capacity on the River Atella.

Four big dams on the OFANTO, RENDINA, OSENTO and ATELLA rivers are to be built. The work on the above mentioned project was begun in September 1951.

Irrigation, utilizing the Tara River - The work of utilizing this river for irrigation 4,000 hectares of land was begun near TARANTO. The cost will amount to 1 billion Lire.

The Campeno A. ueduct will complete the water provision of NAPLES and will provide water for 132 communities in the provinces of NAPLES, CASERTA, BENEVENTO and AVELLINO.

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The cost of the project will amount to 23 billion Lire, and the water supply would be sufficient for the needs of a population increased by one million.

Aqueduct of Ausino. The present aqueduct, which was built in the years 1910 - 1915, is no longer sufficient for the needs of the population. New streams will be utilized, and, among other areas the SORRENTO Peninsula will benefit. The cost will amount to 1 billion Lira.

The Aqueduct of Montescuro Ovest will supply water to 18 communities in three Sicilian provinces: TRAPANI, PALERMO, and AGRIGENTO. The construction of this aqueduct was approved on 1925, but only a small part of it was built then. The Fund now assumes the responsibility for work to the amount of 2,618,000,000 Lire which includes the joining of the two streams of MADONNA DELLA SCALA and FUSCIA and the completion of the principal 50 kilometers conduit, with branches to various districts such as CASTELVETRANO, CAMPOBELLO di MAZARRA, PARTANNA, POGGIORFALE, GIBELLINA, SALAPARUTA, SANTA NINFA, VITA, CALATAFINI and PACECO and the construction of their respective reservoirs. Telephone systems are included in this program.

In the touristic field, the following work was begun: Excavation of the ancient town of POMPEI and the construction of an auditorium, the setting in order of the EMERALD GROTTO at AMALFI, excavations at PEASTUM.

Further statistics available about the activity of the Southern Investment Fund are those covering the period from August 1950 up to the end of April 1952, according to work done in each province.

The few examples given in this report include casually chosen provinces.

Province of LECCE

Ministry of Agriculture and the Southern Investment Fund. (different periods)

Drainage, irrigation, land-reclamation:

From 1944 up to 31.12.1951, for drainage, irrigation and land-reclamation expenses to the amount of 1,351,394,000 Lire had been approved.

The following work was carried out:

264 hectares of land were drained; 22,600 km of drainage canals repaired; 76,000 km of new connecting country roads and 2,400 km of new irrigation canals built.

Technical education

52 technical courses in modern agricultural methods and technique were held. 1,418 persons attended these.

Unemployment problems and production

From 1946 up to 30.4.1952: 220,000,000 Lire had been spent in the fight against unemployment and to increase agricultural production.

Land Reform

Plans for land expropriation were approved and published for an amount of 16,924 hectares. 350 hectares were assigned to 80 families of agricultural workers during this period, with projects for assigning the remainder being still in the process of study or under way.

Small agricultural property

The Fund for protection of small agricultural property up to 30.4.1952 had acquired 163 hectares of land and sold it all to small land owners in need on a time-payment plan.

Southern Investment Fund

Period: 1.8.1950 - 30.4.1952

Aqueducts

A contract to build the Aqueduct of PUGLIE was made for the amount of 17,000,000 Lire including branches of GABATINA-COLLEMETO and completion of the Adriatic branch.

Mountain reservoirs

Systemation work was carried out on several mountain reservoirs to amount of 140,000,000 Lire.

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Land drainage, irrigation, reclamation

Land reclamation work was carried out in ^MMAMALIE, ROTACAPOZZI, PALI ARNEO and OTRANTO areas, including road nets, irrigation, construction of canals, etc. to an amount of 538,000,000 Lire.

Farm-betterment

Projects farm-betterment were approved to an amount of 44 million Lire.

Roads

Work of repair and new road construction was being carried out to an amount of 830 million Lire.

Province of BRINDISI

Ministry of Agriculture and Southern Investment Fund

Different periods of time.

Land drainage, irrigation and land-reclamation

From 1944 up to 31.12.1951, for land drainage, irrigation and reclamation, including new works or repairs of war damage, there were ear marked 475,661,000 Lire.

The following work was completed: 5,903 hectares of land were drained; 105,800 km of canals repaired or constructed; 450 km of roads repaired or newly built; 15,000 km of river levels were repaired.

Technical education

71 courses were given with 1,156 persons attending.

Small agricultural property

The Fund for protection of small agricultural property acquired up to 31.4.1952, 268 hectares of land and sold it to small land owners in need, with deferred payment.

Unemployment and production

From 1946 until 30.4.1952 - 230 million Lire had been

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spent in the fight against unemployment and to increase agricultural production.

Land reform

Plans of land-expropriation were approved and published to an amount of 11,978,45 hectares and 121 hectares had already been assigned to 30 agricultural families.

Southern Investment Fund

Period: 1.8.1950 - 30.4.1952

Aqueducts

Work of increasing the supply of water from the aqueduct of PUGLIE to the branch of BRINDISI was being carried out for an amount of 123,000,000 Lire .

Land drainage, irrigation, land reclamation

Work of land drainage, irrigation, etc. was being carried out in Agro-Brindisino for an amount of 70 million Lire.

Roads

Several projects of repair and construction of new roads were being carried out for an amount of 516,000,000 Lire.

The total amount of work done or being carried out in different sectors of activity of the Southern Investment Fund up to 30 September 1952 was as following:

The activity of the Fund in the sector of land drainage, irrigation and reclamation extends in that period over a territory of 360 thousand hectares. It includes 752 projects, of which 651 were already contracted, for a total sum of 80,294 billions, of which 61,576 billion Lire were ear-marked for those already contracted.

In the sector of soil-betterment, there were 8,549 projects approved and contracted for a total amount of 18,896 billion lire which include mountain reservoirs (655 projects approved for an amount of 29,055 billion Lire and 602 projects contracted for an amount of 26,488 billion of Lire,

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forming a total sum of 9,956 approved projects for an amount of 120,849 billion Lire of which 9.802 already contracted projects to an amount of 106,960 billion Lire.

In this sector there are 75 projects that cost over 200 million Lire.

To illustrate the full activity of the Fund in the sector of land-reclamation, to mention of the plan of building new rural villages in the reformed areas cannot be avoided. These plans are carried out with the help of various agricultural organizations and with the collaboration of UNRRA-CASAS.

For instance, in the area which extends between the lower MOLISE up to the border of CALABRIA 52 new villages will be built, which with those already existing will form a net of civilized centers with a distance of 10 km between each other. The cost of a single village is estimated at approximately 40-50 millions for a small one, and 250-300 million Lire for villages of greater importance.

The province of FOGGIA will acquire 18 new villages.

The province of MATERA - 9;

The province of BARI - 5, and so on.

Aqueducts

Up to 30 September 1952, the number of projects of the more important aqueducts amounts to 53.

During the first period of planning in this sector works were foreseen to all benefit 968 districts, which count 9 million of inhabitants. With the supplementary plan the Fund extended its activity to another 1,135 districts, thus supplying water to 2,573 districts.

The projects for aqueducts and sewers approved up to 30 September, 1952, amounted to 266 (cost - 37,179 billion). Those already contracted were 230 (cost - 23,531 billion Lire).

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Roads

Up to 30 September 1952 - approved projects amounted to 894 (cost 56,486 billion Lire), of which 791 were already contracted (cost - 48,658 billion Lire). Touristic road projects already approved amounted to 45 (cost - 6,372 billion Lire).

Railways

Important plans were made to improve railway communications in the South. The effectuation of these projects will considerably increase fruit production, by delivering the products to the markets more rapidly.

Statistics of the Fund's activity up to October 1, 1953

The general account of the Fund up to October 1, 1953 is as following:

334,123 billion Lire of approved projects,
275,445 billion Lire of projects completed or in cours
According to sectors:
126 billion Lire for land-reclamation work,
22 billion Lire for mountain reservoirs,
40 billion Lire for aqueducts,
75 billion Lire for roads
7 Billion Lire for railways
5 billion Lire for tourism

Besides, 47 billion Lire were paid to private persons, as subsidies for farm-betterment.

The number of Work-days involved amounted to 36 million, with approximately 40 billions of Lire paid as wages to workers, most of whom had previously been unemployed.

Irrigation, drainage, land-reclamation sector

Among the most important works carried out in this sector were:
The dam over River SALSO in Sicily (cost 5 billion Lire);

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Damming of the OSENTO stream in PUGLIE (cost 2 billion Lire)
Dam on the Trinity STRAITS in Sicily (cost - 1,250 billion Lire)

The number of works carried out at a cost superior to 100 million Lire amounts to 78 from December 1952 to September 1953.

Mountain reservoirs

In this sector the major investments were made in LUCANIA (BASILICATA), CALABRIA and SICILY.

The number of projects approved each of which cost more than 100 million Lire was 8.

Aqueducts

The intervention of the Fund in this sector was particularly active in CAMPANIA and SARDEGNA.

The approved projects of more than 100 million Lire each in cost amounted to 23.

Roads and civil construction

The Southern Investment Fund is in this sector exclusively competent for roads of minor importance (district and provincial roads), but according to the program of A.N.A.S. (State Highway Construction Board) it carries out repairs of 2,800 km of minor roads which will be absorbed by the State road net, thus creating new road itineraries.

The number of projects amounting to more than 100 million Lire each in cost, were 59.

Railways

The southern Investment Fund intervenes in the railway sector by financing work, which is carried out by the State Railway Administration.

Approved projects of following railway lines:

BATTIPAGLIA - REGGIO CALABRIA - 1,231,523,000 Lire

METAPONTO - REGGIO CALABRIA - 671,621,000 Lire

POGGIA - BARI 6,405,110,000 Lire

Tourism

Projects approved in this sector principally concern the Region of CAMPANIA, with investments of 1,452,770,000 Lire.

SICILY - 751,730,000 Lire

TUSCANY - 107,400,000 Lire

The work includes road improvements, excavations, systematization of buildings of artistic interest, restoration, etc.

When further statistical data on this Fund are available we shall supply same.

Note: On 25 July, 1952, a law was passed amending the original law, and designed to augment employment and develop further the South's economy. It increased the life of the original Ten Year Plan to Twelve years and added projects for railway betterment and extension. The expenditure ceilings were also raised, so that the initially annually fixed amount of 1,000 Billion Lire was increased to 1,010 Billions; for the period 1953-54 to 1959-60, increased to 1,110 Billions; and reduced again in period 1960-61 to 1,100 Billions, to a total increase in over-all expenditures of 280 Billion Lire.

End.