AMERICAN EMBASSY

OFFICE OF THE COMMERCIAL ATTACHÉ

ROME

July 14, 1926.

For Miss Tarbell

1. Italy's indebtedness since debt settlement:

Internal debt as of May 31, 1926 ..... Lire 92,033,000,000
External " " " March 31, 1926 ..... $ 100,000,000
equivalent to gold Lire 518,260,000. The external debt represents the Morgan loan only. Figures are published quarterly. The war debts to the United States and Great Britain have been wiped out entirely as far as the accounts of the Treasury are concerned. They are being handled by the independent "Cassa di Ammortimento", which receives the reparation receipts and makes the annual payments on the war debts. The war debts, therefore, no longer appear as a capital debt. If you wish detailed figures on the distribution of Italy's yearly payments on account of war debts, they can be obtained.

2. Budget surplus:

No official figures are yet available. Volpi has made an unofficial statement to the press to the effect that the budget surplus will exceed Lire 1,200,000,000. This figure includes, however, the saving on the interest on war debts which amounted to Lire 1,200,000,000. On the side of receipts, the reparation payments for the year amounting to Lire 300,000,000 have been turned over to the Cassa di Ammortimento with the exception of Lire 10,000,000. ~~The actual saving as shown in the budget surplus is represented by this figure of Lire 1,200,000,000.~~

It is interesting to note that up to the end of May the authorized expenditures on the budget had been increased by Lire 2,492,000,000 over the preliminary estimates, and it is probable that by the close of the fiscal year they will have exceeded the original estimate by Lire 3,000,000,000.

Digital Image, 2011, The Ida M. Tarbell Collection, 1890-1944, Allegheny College Pelletier Library.

3. Five and ten centimes and two lire pieces:

The five and ten centime pieces both antedate the Fascist regime. The 2-lire pieces with the fasces was coined by the Fascist Government.

4. Destruction of cooperative-owned property near Bologna:

The Fascist Government cannot be said to be opposed to cooperation as a principle and encourages cooperative organizations which subscribe to the Fascist party. Particular attention has been given to consumers' cooperatives. The opposition and persecution was in the case of mismanaged ~~xxxx~~ socialistic cooperatives which were being used to a political end rather than for their true purpose.

We have no information as to just what was done in the particular case of Molinella. Dr. Giulio Costanzo of the International Institute of Agriculture is one of the best-informed men we know on cooperation and could certainly give you any information you may need.

I am sending down a copy of an old report of mine, which you may care to glance over. It is however, three years old.

5. Irrigation in Sicily and Sardinia:

Information may be had from the Office of Hydraulic Works at the Ministry of Public Works.

I enclose a recent statement of the number of hectares under irrigation in Italy.

Great attention is being devoted to reclaiming land.

6. Graphics illustrating Italian economic conditions:

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