

Declassified and Approved For Release 2013/09/25 : CIA-RDP13X00001R000100450009-6

ITALY (1917)  
INTELL. REPORTS  
LT. MALCOLM CALLANAN

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ITALY - 47

INTELLIGENCE REPORTS

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SECRET

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

TO: Colonel Houston

DATE: 6 APRIL 1944

FROM: Inspectorat

SUBJECT: Intelligence Papers, Fifth Army Detachment

Attached is a series of intelligence papers which have come in from Lt. Callahan, who is OSS Intelligence Officer with the Fifth Army Detachment.

I understand that General McGruder has a separate set of these reports and will do whatever is necessary to have them processed and distributed through the customary intelligence channels.

*A. W. Galloway*  
A. W. Galloway

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OFFICE OF STRATEGIC SERVICES  
ALLIED ARMIES IN ITALY  
APO 777, U.S. ARMY

X *Revised*  
X *Callahan*  
14 March 1944

SUBJECT : Italian Fleet Incident

TO : Director Strategic Services  
General MAGRUDER  
Colonel RODRIGO

1. The following supplements information contained in attached cables.

2. The Italian Fleet incident was caused by a United Nations News item which appeared on Friday, March 3 and was reproduced in the Stars and Stripes Saturday morning. The first Axis mention came Friday night in the form of a flash over Radio Rome at 8 P.M. This Section first heard Saturday night that a very serious view was being taken by the Italian Government. In discussion with MO (Mr. WARNER) and SO (Capt. PACATTE) an estimate was made of the potential damage which could be done by this announcement in German-occupied Italy and on neutral countries.

3. Sunday, Monday and Tuesday men covered the Government and its agencies in Salerno, the Navy at Taranto and the political parties in Naples. Fortunately, the coverage was possible in line with normal duties. MO covered Axis and neutral reaction.

*Malcolm W. Callahan*  
MALCOLM W. CALLAHAN  
1st Lt. AUS  
Intelligence Officer

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~~SECRET~~~~SECRET OR ITALIAN~~~~ALL INFORMATION CONTAINED~~Italian Government

When the Marshal heard the news which had been much distorted he pounded the table and said he would resign. This statement, since denied, got around Naples and eventually was used in German broadcasts. A Council of Ministers was called and the note prepared which was given to the Italian Government Press Bureau. This was the note handed to General McFarlane and to PWB for dissemination, requesting fuller information.

By Tuesday the Marshal and his staff (most of whom were in various stages of emotion) had calmed considerably. McFarlane assured them that he himself had known nothing prior to the press notice.

Since then the Government has received official replies which when sent to the fleet calmed all groups in Allied-occupied Italy.

Confidentially the Council of Ministers informed CCG that they were suspicious that the move was connected with Anglo-Turkish diplomacy. The Italian Fleet would sail through the Dardanelles thus provoking Turkey to a breach of neutrality or war against the Allies.

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**SECRET****PAGE TWO****Naples and Political Groups**

On Sunday, March 5, Sforza of the Action Party, Longobardi of the Socialists and Galvi of the Liberals were interviewed and their first reaction was anger and surprise. Tuesday, the Giunta held a meeting to discuss the question. Since it was then well-known that a mistake had been made, the parties practically confined themselves to a criticism of the Badoglio Government. All groups, however, including Demo-Christians and Communists, agreed that the fleet should be used, particularly by Russia, but only under Italian colors.

The reaction of the people was a few days late and very considerably affected by the Radio Rome broadcasts, which didn't begin to play up the affair till Monday. The statement in the newspaper, Risorgimento, that "the Government has not received any official notification, and it has learned of the supposed transfer only through the press and radio" was taken seriously by those people who reflected on it. It was on this statement, rather than any questions of the fleet which seemed to be largely the result of misunderstanding, that most of the unfavorable reaction was based. Following the Churchill speech this seemed like a contradictory rebuff to Badoglio.

Today the problem has joined the host of complaints the population of the Naples area have against the Allies.

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~~PAGE FOUR~~

Italian Navy      Italian

One member of Operations was in Taranto on Sunday, the 5th, and talked with Admirals Sanscetti and Calosi. They were very angry and talked of resigning. Individual officers and men were threatening scuttling and even mutiny. The scuttling threat was confirmed by Lt. Mathieu who was in Taranto this past Sunday, March 12, and he went on ships which had been prepared for scuttling.

The official reply by the Allies had been forwarded to the Fleet by the Minister of the Navy and the atmosphere had calmed. Even a week ago, the Admirals stated officially that they welcomed the chance to fight with the Russians, but always under their own flag and with their own crews. This was granted by the Allied note.

Admiral Calosi, chief of Naval Intelligence said confidentially, that there was a suspicion that the request was a Russian move to make certain that no post-war Italian strength in the Mediterranean existed. As a reflection of how strong is the fear of eventual Communism among such officers, he also stated that it might possibly be a Russian effort to weaken the Italian government by tearing away their fleet and thus paving the way for Italian Communism. He had no suspicions of possible British influence behind the misunderstanding.

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**PAGE 1 OF 2**

**NOTE AND SOURCE: Italy**

As indicated in attached cables, there was a strong reaction in Northern Italy.

The Axis radio first mentioned the question in a newscast at 8 p.m. the first night (March 3rd). The next broadcasts were more or less simply restatements of the news item from United Nations News Service. Gradually, on March 4th, such typical tricks as "Stockholm reports discussion completed on fleet transfer" were inserted. By 10 p.m. the night of the 4th Radio Rome in German to the soldiers had reached such propaganda as "with the help of the Anglo-Americans Bolshevikism has been let loose on the oldest cultural ocean, the Mediterranean." Since then the fleet "partition" has been a favorite propaganda theme on all Axis radios, including Hungarian.

The OSS clandestine station in Rome sent a suppressed cable 9 March with an unsolicited reaction (which this particular station rarely does). The last sentence was "but Churchill speech, the uncertainty of sending of third of fleet to Russia, the lack of encouragement from the Allies is forcing men to acquiesce to enemy."

The British controlled Italian station in Rome gave what may be a reaction requested by ACC through SIS and SIA. "The worst possible impression was made by news of partition of fleet and eventual bombardment of Rome."

OSS MC stationed with this Detachment have been working closely with this Section on answering press handle.

*Malcolm W. Callahan*  
MALCOLM W. CALLAHAN  
1st Lt, AUS  
Intelligence Officer

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Colonel R. P. PURSHAN, File #.

**SECRET**

**OUTGOING MESSAGE**

RE. 745 YANKEE  
TO: DONOVAN AND MAGRUDER  
FROM: CALLANAN  
INFORMATION COPY TO GLAVIN

MARCH 8, 1944  
SENT 0745, WILLIFORD

SITUATION CONCERNING FIEST IS CALMER. BADOGLIO TOLD  
MATHISE THAT HE WOULD WAIT FOR AN OFFICIAL REPLY. POLITICAL  
COMMITTEE HOLDING INDIGNANT MEETING MOSTLY DIRECTED AT  
BADOGLIO. GENERAL MACPARLANE WAS ALSO UNINFORMED. WILL  
TOUCH THE REBT.

PARAPHRASE

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**RAFIR PRIMUS**

**OUTGOING MESSAGE**

MR. 716 YANKEE

6 MARCH 1944

TO: DONOVAN AND MAGRUDER, WASHINGTON

FROM: GALLIANI

1200 GMT, MONTI

INFO COPY: GLAVIN, ALGIERS

DISCUSSION OF ITALIAN NAVY CAUSED ALARM AMONG GOVERNMENT, POLITICAL PARTIES, AND THE PEOPLE. MARSHAL BADOGLIO GIVES THE IMPRESSION OFFICIALLY THAT HE WAS UNINFORMED. SFORZA AND COMMUNISTS SAY THAT ITALY AS A COMBELLIGENT SHOULD BE CONSULTED, BUT THEY APPROVE OF DUAL. POSSIBLY THE AFFAIR IS DUE TO A NEWS SLIP OR HIGH POLITICS, BUT IT IS EXCELLENT PROPAGANDA MATERIAL FOR THE GERMANS.

PARAPHRASE.

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13

*Italy 14/147*  
 Chillingworth  
 Report  
 Callanan

OFFICE OF STRATEGIC SERVICES  
ALLIED ARMIES IN ITALY  
APC 777, U.S. ARMY

17 March 1944

SUBJECT : Strategic Intelligence Extracts N°1

TO : Director of Strategic Services  
Brigadier General MAGRUDER  
Colonel RODRIGO

1. The following information is extracted from reports which daily pass through this section. They are selected from both OSS and outside sources.

2. These extracts are an attempt to meet one of the new obligations which will be assumed by this section in the reorganization of OSS Italy. This concerns the intelligence servicing of rear or strategic echelons, not only by the individual branches, but by the Detachment as a whole.

3. If approved, Washington branch heads will be added to distribution. Also suggested is a copy which will be shown to the American ACC representatives in Italy.

*M. W. Callanan*  
MALCOLM W. CALLANAN  
1st Lt. AUS  
Intelligence Officer

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### OPS A&I Agent Radios

It is reported in ROME that Germans feel the front south of ROME now well established. They intend to hold the present line until another landing. No landing is expected in Italy, but one is almost certain in Western Europe. When this occurs they expect to withdraw to the La Spezia - Rimini line.

The chief problems in Italy are supplying the front and the lack of spare parts for vehicles. This may cause the Germans to withdraw sooner than they anticipate.

It is reported that an Italian naval officer is to proceed to Spain and attempt to make arrangements for the escape of the warships now interned there.

Work on the aircraft carrier "Roma" in Genova harbor has been suspended.

The firm Aeronautica Italia is said to have produced 100 planes of the fighter type "G-55" since the end of January. In the future the plant is expected to make parts for "Fokke - Wulf" planes.

### Outside Intelligence Reports

Night of 10/11 March first raid by Italian Fascist torpedo planes. This was made on Anzio harbor and consisted of 6 BM 79's. Pilot shot down (no damage by group reported) states this is only torpedo-bomber groups with Luftwaffe, although two groups are in training at Venezia. (U-2 5th Army 14 M)

Fortifications have been ordered in the Livorno area and all along the Eastern Riviera coast from the French border. (SIN 13 M)

REG A&I Agent Radios

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Outside Intelligence Reports

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Fortifications have been ordered in the Livorno area and all along the Eastern Riviera coast from the French border. (SIM 13 M)

Some German anti-personnel SOU-MINES 42 have recently been found made of "Resinovite". The absence of metal in these mines makes detection by present US equipment difficult. (G-2 5th Army - 14 M)

CSS Contacts and Informants

The Radio Station, Milano Liberata, which has again been on the air, encouraging the North Italian strikes is probably broadcasting from Russia. This station was very active for three days just after the 25th of July. Some people say the strikes were organised by Brocli, the Italian Communist leader, and allege he is in North Italy. Reale, Communist leader for Naples, denies Brocli is in Italy and says that permission for him to enter was refused by ACC. He says Brocli is possibly in Istanbul, and the Russian recognition of Badoglio may permit his entry. (Interview. 12 M)

Though the Italian Communists (Tedeschi) have reaffirmed their opposition to the Badoglio Government (as it is now), it appears that the Socialist-Communist parties have been a. strengthened publicly by the seve, instead of hurt as first popularly supposed b. will draw closer to the present government.

The negotiations for Russian recognition were carried on between Vyshinski and the Badoglio Government (Reale, Minister for the Interior, Prunus, Foreign Affairs, Naldi and Di Carlo) only after Vyshinski's overtures to the Sforza-Greco liberals had failed. Naldi and Di Carlo, neither of whom has an announced official position, were mainly responsible. In a total view of the significance of the negotiations, it must not be forgotten that local politics (Naldi and Di Carlo hate Sforza-Greco worse than they fear Communism) played a part in the success.

Confidentially certain British circles maintain the Russian-Italian negotiations are part of the pressure on Turkey. This appears to be confirmed.

W. C  
MALCOLM W. CALLANAN  
1st Lt. AUS  
Intelligence Officer

OPTION OF COMBINED SERVICES

ALLIED AIRBORNE IN ITALY

170 177 U.S. AIRCRAFT

17 March 1944

SUBJECT : Dissemination Procedure  
TO : Director of Strategic Services  
: General MAGRUDER  
: Colonel RODRIGO

1. Attached is a proposed procedure for dissemination of material which passes through this Section.

17 March 1944  
CALCOIM W. CALJANAN  
1st Lt. AUS  
Intelligence Officer

CC: Colonel REUTERMAN, Miles.

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PROVISIONAL AND COLLECTOR PROCECDURE

1. Procedure outlined below regards mainly the function of Intelligence Section Headquarters and the Reporting Board. The obligation of Section Headquarters to subordinate branches is one of servicing and indirect control. As shown in Paragraph Two each Branch has its own collection, preparing and distributing procedure.
2. Subordinate Branches have their own collecting, preparing and dissemination procedure established by Branch Heads in Washington. This procedure would be followed in the field for SI, OR, and R&A Intelligence.  
All reports originating in subordinate sections would be sent directly to respective Branch Heads in Washington with a copy in each instance to Intelligence Officer, OSS Italy.  
Intelligence Section HQ would, after conferring with local Branch Heads, give additional dissemination, either in extracts or complete. Such dissemination would be to guarantee servicing to non-OSS fields units, armies, air, navy, etc., and servicing of other branches is not normally obligated. Thus, within bounds of security, an item submitted by MO Intelligence would be furnished PWB or OSS SI, just as AC Intelligence would receive pertinent information from other OSS Branches as well as from outside agencies such as Armies, PWB, etc. which service this Section.
3. Reporting Board dissemination procedure is outlined in Paragraph 4. This procedure is in addition to regular Branch to Branch head reporting mentioned above. Further, the Intelligence Officer will report in the form of Strategic Extracts to Intelligence Officer, Algier, and Intelligence Officer, Washington.  
(see Paragraph C-8).

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**REPORTING BOARD PROCEDURE**

**A. Clandestine Reporting**

1) All incoming clandestine radio or interrogation (cf agents brought out through OSS facilities) intelligence will go directly to Reporting Board. Information will be screened and coordination and submitted immediately in the form of the regular Intelligence Report.

2) Immediate servicing of any agency or echelon not on distribution of Intelligence Reports will be effected through special radio messages or standing special reporting procedure (this paragraph Section C).

**3) Distribution of Intelligence Reports:**

Original to GSI, Allied Armies in Italy  
G-2, Fifth Army

GSI, Eighth Army  
American Deputy Commander AAI

Chief Special Ops AAI

OSS II Corps

OSS 10 Corps

French SR in Italy

Italian SIM & British ISLD together  
OSS R. & A., Italy (for target analysis)

OSS A.F.H.Q.

(also one agent monitored by OSS Anzio  
for servicing VI Corps direct).

**B. Temporary Special Reporting**

1) Special directives from non-OSS field units, NAAF, Allied Armies in Italy, 5th Army, VI Corps, Navy, AFHQ (by radio from OSS AFHQ), etc. These requests are handled priority over agent radios and through interrogation groups. Requests from non-combatant outside agencies (ACC, PWB, Railroad Administration) will be given lower priorities than either combatant headquarters or OSS field branches.

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**REPORTING BOARD PROCEDURE (continued)**

4.

2) Special requests by OSS Field Units. These requests come from Operations, OE, R&A (on target work), etc., for special intelligence reporting. If practicable, these requests are sent to appropriate agent radio and to all OSS interrogation units. Any pertinent information from non-OSS agencies is also supplied.

3) General strategic requests will be handled partly by Standing Special Reports, Strategic Intelligence Extracts. Other special requests from OSS Branch Heads or strategic commands will be dealt with by the most expeditious means at hand.

4) In all above requests, the formation of special operational missions will be decided by the Approval Board of the Detachment, not by the Intelligence Section.

**5. Standing Special Reporting**

(This reporting will include the extracting and forwarding of all pertinent information to units concerned. Sources will be local OSS Intelligence, local intelligence from outside agencies, and, in the case of information to lower echelons, intelligence from higher commands).

1) Air Intelligence Extracts, Air battle order, bombardment results, target and traffic intelligence, extracted only from OSS agent radios and, by arrangement, from SIM Italian agent radios.

Original by hand Colonel ORBWAY to General BAKER  
Copy to A-2 MAFF (by hand R&A Target Section)  
Copies to A-2's of TAF, 42nd Bomber Wing, 57th  
Bomber Wing, Desert AirForce, 15th Air Forces,  
and 12th Air Support Command.

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(para 4 - C continued)

3) Naval Intelligence: Extracts information on enemy naval activity and coastal defenses from OSS radios only.

At present only to ONI, Naples.  
Proposed by hand to Admiral Commanding Naples Area.

Intelligence Officer Royal Navy, Naples.

3) Operational Intelligence: Information on conditions in German-occupied Italy, curfew hours, travel restrictions, for operations. Obtained from all intelligence passing through Reporting Board, radios, SIM & SR reports, divisional interrogation summaries, etc.

At present to Chief of Operations  
Heads of Forward Echelons  
Head of Training Area  
Two heads of agent chains

Proposed to Chief of SI  
Chief of SO  
All heads of agent chains

4) Extracts of Intelligence: Information received from higher echelon OSS sources. Information pertinent to Italian operations military extracted to service lower field and OSS commands with intelligence more fully and quickly than could be done by regular Army channels.

G-2 Fifteenth Army  
GSI Eighth Army  
OSS II Corps  
OSS VI Corps  
OSS IO Corps  
Operations Officer  
R. & A., Naples

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(para 4 - c continued)

5) Counter-Intelligence Extracts: "Any information of OS or CI nature received by Reporting Board from OSS or other field sources it is forwarded only to X-2 Naples who assume responsibility for local and branch dissemination. Information from other sources such as Italian OS or CI obtained by X-2 directly.

6) Psychological Extracts: Information on morale of Italians and Germans in Northern Italy forwarded to:

NO OSS Italy

P.W.B.

7) Military Government Intelligence:

Information from OSS sources only (radios, interrogation and R & A) on food, financial, transportation conditions in both occupied and free Italy.

Distributed to:

AOC Political  
AOC Economic  
AMG City Administration  
AVG Planning  
Railroad Administration

8) Strategic Intelligence Extracts:

Special servicing of higher echelons with strategic intelligence, military, political, economic. Reports sent daily and gathered from OSS and other field headquarters in Italy.

Presently to Director Strategic Services  
Intelligence Officer, Washington  
Intelligence Officer, Algiers

Proposed to Branch Heads, Washington  
American Minister, Allied Advisory Council.

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5. Plans and personnel are ready to begin reporting for Intelligence "B" (post-combattant). Additional personnel should be added as pressure for direct military intelligence lessons.

*Malcolm W. Callanan*  
MALCOLM W. CALLANAN  
1st Lt. AUS  
Intelligence Officer

CC: Colonel REUTERSHAN, Files.

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OFFICE OF STRATEGIC SERVICES  
RECONNAISSANCE IN ITALY

17 March 1944

SUBJECT : Correction to Fleet Report

TO : Director of Strategic Services  
General MAGRUDER  
Colonel RODRIGO

1. In report on Italian Fleet incident from this section, 14 March 1944, mention is made of "Admiral CALCSI". CALCSI, who is official head of Naval Intelligence (SIS) is a Capitano di Fregata.

Malcolm W. Callahan  
1st Lt. AUS  
Intelligence Officer

DIRECTOR OF STRATEGIC SERVICES

ALLIED TRIBUNES IN ITALY

APC 777 U.S. AIR FORCE

16 MARCH 1944

SUBJECT : German Occupied ITALY No. 2

TO : Director of Strategic Services  
: General MAGRUDER  
: Colonel RODRIGO

RECENT DEVELOPMENTS IN ROME.

a. The delay in the Allied arrival in ROME has accentuated, rather than diminished, the emphasis placed by Italians on a decision to be taken. The Churchill speech which caused such excitement among the political parties was taken as an indication that not 'till ROME was reached would any decision be made. Badoglio himself is looking to the Rome political parties for guidance for a new government, not to the local parties. The Socialist LONGOBARDI and the Liberal CALVI who came from ROME for the Nazi Congress have repeatedly stated that the true leaders of their parties are in ROME. TREDICCHI, now the dominant figure in the Communists, emphasizes the importance of the ROME leaders.

b. H.A.A. Washington Report 1112.45, 7 February refers to "plans for the administration of Rome..... apparently have been worked out by the Badoglio Government in agreement with the Allied Control Commission". This was true and such plans were broadcast to Rome in the form of orders from ACC (McFarlane). The fact that this move was met by a complete refusal on the part of the RSI SCIMITATO would indicate that it was poorly timed. It seems probable, also, that ACC was not at that time receiving adequate intelligence.

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c. General ARMILLINI of his own accord put himself under the Comitato's General BENIVENGA and CARONI was automatically accepted as the civil head. ISD who control SIM radio stated that ARMILLINI complained that as Badoglio representative he had no power, only mistrust. Personally he was respected and was willing to work as an independent figure. (GORD here are like so many English men independently "leftish" and quite opposed to what they consider is MacFarlane's lack of understanding).

d. The position of MOTTA, picked by Badoglio and ACC as the civil representative, was left unsolved. On 8 March his arrest by the Germans was reported and has since been confirmed.

e. Two apparently unrecognized efforts at forming organizations by Generals SORICCI and CARONI resulted in cables from ACC through Badoglio ordering them to cease all activity. This was done through the British controlled SIM radio and may or may not correspond with the plans of the Comitato.

f. OSS now have documentary evidence of the organisation of military intelligence sub-committees to the Rome COMITATO. This intelligence is used by all parties and by agents of all organisations in addition to original material, and frequently causes duplication. It is an evidence, however, of the increasingly efficient organization of resistance.

g. Lack of supplies and moral support, plus an unfavorable reaction to the Fleet question has tended to demoralize the Rome resistance. Every day new arrests are made which appear discouraging. It is possible that these arrests actually improve the organisations and harden them into more efficient clandestine units.

2.

NORTHERN ITALY

a. The first reports of conflicts between rightist and leftist come from PIEMONTE, such conflicts are inspired by the disunion in Southern Italy. Still no major split, such as in Yugoslavia, does not seem impending.

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b. The radio strikes in Milano may have been ordered by orders from outside agencies. The strikes are prompted both from a sense of duty or the still uncoordinated resistance governments. The ANI-GST also stated that the demonstrations are prompted from a military strategic point of view.

c. One of the units encouraging the present outbreaks is the "clandestine" station Milano Libertà. This station says "workers have been asked to take part in a general strike" and "snipers also received an appeal..... the time has come." (EWB Naples state that this station may be a broadcasting from Russia). OSS Milano sent a report on the strikes requesting DDCI not to exaggerate the situation. A clarification is being requested.

d. Signor CHININGER now said to be in Berne with residence in Zurich as "Commercial Agent for the Government of Rome", is alleged to be making plans for a refuge for high Fascist officials when defeat comes. This information comes through the Italian Government and may not have received other dissemination. (Reber said CHININGER's presence in Switzerland confirmed by State Department from Berne).

e. It is possible that some large-scale refuge deal is being worked out using the neutrality of the Vatican and the open city character of Rome as cover. The Vatican, though effectively pro-Ally in secret operations in North Italy, is making quite a show of its neutrality. This may be possibly due to a desire not to offend the Germans and thus spare Rome. However, there are indications that the Vatican is trying to get into a favorable bargaining position possibly for reasons of Italian politics or anti-Russian diplomacy.

Malcolm W. Callanan  
1st Lt. AUS  
Intelligence Officer

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ADDENDA

Mr. REEDER, American head for political control for AGO, stated informally on 14 March, that General VENCIVENGA had disappeared. This information came from a cable from SIM and ISID (British SIS) which may have been sent to Washington direct by SI Italian, but has not yet been seen by this Section.

*Recd/act. 10. 1. 66  
JAN 10 1966*  
MAURICE W. O'LEARY  
1st Lt. AUS  
Intelligence Officer

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OPTION OF STRATEGIC SERVICES  
AMERICAN AIRFIELD IN ITALY  
APO 777 U.S. ARMY

17 March 1944

SUBJECT : Intelligence "B"

TO : Director of Strategic Services  
General MAGNUDER  
Colonel RODRIGO

1. A new sub-section has been in the process of being formed since early January. This section is dealing with all intelligence collection of post-combattant interest.

2. This section will be handled directly by the Intelligence Officer, with Economic and Political sub-sections. Liaison with Italian "Ricognizione" bureaus (see Appendix) will be made with officers selected by Intelligence Officer with approval Intelligence Officer, Washington.

3. All political and economic intelligence now collected by MI, Italy, RAA, Italy or other branches in the course of their work, such as, SO, OD, and MO, will be forwarded directly to their respective branch representatives, with a copy in all instances to Intelligence Officer, OSS AAI.

*Malcolm W. Callanan*  
MALCOLM W. CALLANAN  
1st Lt. AUS  
Intelligence Officer

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**APPENDIX**

a. Marshal BADOGLIO specifically requested from OSS permission to establish bureaus which would collect political and economic intelligence for an agency which was purely American. These boards will be openly committees to study the reconstruction of Italy, but will prepare reports and deal directly with OSS representatives. It is understood that anyone may be included, from any profession or political party, regardless of the attitude of the Italian Government toward the individual. The selection of the committees, in other words, is entirely in the hands of OSS.

b. Already information on LATI, ITAL-CABLE, EIRE, STEFANI, a submarine weather station in the Arctic, and confidential commitments relative to a government in ROME have been collected. In addition studies are now nearly finished on the exploitation of Sardinia and Sicily, transport problems, merchant marine and air, etc.

*Malcolm W. Callan*  
MALCOLM W. CALLANAN  
1st Lt. AUS  
Intelligence Officer

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B  
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OFFICE OF STRATEGIC SERVICES  
ALLIED SPYLES IN ITALY  
APO 777, U.S. ARMY

20 March 1944

SUBJECT : Strategic Intelligence Extracts N°2

TO : Director of Strategic Services  
General MAGRUDER  
Colonel RODRIGO

1. Attached is second of the Strategic Intelligence Extracts.

2. As previously indicated no detailed tactical information from agent radios (which is ninety per cent of the intelligence traffic) is included.

3. One extra copy of the extracts is made for hand-to-hand distribution among staff of OSS AIII. It is also proposed to make an extra copy for Brig. Gen. LEMNITZER, American Deputy Chief of Staff for General ALEXANDER.

*Malcolm W. Callanan*  
MALCOLM W. CALLANAN  
1st Lt. AUS  
Intelligence Officer

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~~REF ID: A11078 NOB~~

GERMAN AIR Agent Radios

Personnel of German Air Force HQ billeted at  
PROVATE (is bushy near VARSH).

German air transport command located at BERGAMO.

Airfield, with part of the installations underground,  
reported under construction east of GODNOLPO (which is SW  
of UPINK).

Outside Intelligence Reports

Three views of Enemy capabilities:

BTW radio from Rome 17 March: "Germans reported studying  
possibility of new offensive against beach-head with four  
divisions from the east, four from the north-east, and three  
from the north. Simultaneously a sea attack with submarines  
and mine layers."

3-2 5th Army Report of 18 March cautiously reports  
"(The) defensive preparations, together with his known  
dispositions indicate that his most probable line of action  
continues to be the defense." Of the Cassino front, "he  
continues a stubborn defense of his elaborately prepared  
MATAV and ADOLP MIRAN lines..... Local counterattacks,  
for the purpose of penetrating penetrations of his defensive  
lines, appear to be a distinct capability."

X Corps (British) in report of 15 March state  
German offensive potentially doable. (see Appendix).

Performance of "BAZOOKA":

From 42 6th Army 18 March quote "The 60 ton "Tiger  
Tank" MK VI can be knocked out by "bazooka". This was  
demonstrated at shio when eight MK VI's attacked a company  
of the 49th. The nearest tank was fired on by a "bazooka"  
and the first shot bounced off /sic/ the heavy armour in  
front.

~~SECRET~~

-2-

The second shot tore away part of the tank tread and the crew abandoned it. Later another tank came up and drew away the disabled one. (The Americans had had to retire) This action indicates a) that the Bazooka is no more effective against the new German tanks than the .50 cal. armor piercing machine gun bullet was against the old model tanks b) the Germans must be feeling a materiel shortage.

#### Contacts and Informants

The article in the Italia Libera of March 15 on an alleged conversation between Badoglio, Alexander, and Eisenhower seemed timed with the "protest" meeting against Churchill last Sunday, 12 March. An effort was made to paint Alexander cold, hard and sarcastic and Eisenhower more or less conciliatory. The Partito d'Azione is indicating a leaning towards America, despite rumors that it receives money not only from Americans, but English as well.

Despite the fact that TEDESCHI and LONGOBARDI (Communist and Socialist) officially announced their continued opposition to the present government, they gave only lukewarm endorsement to CALACE (Action Party) when he proposed sending a protest telegram to Stalin.

The series of moves sponsored by Socialists, Communists and Partito d'Azione, including a second Sunday meeting (today 19 March) this time at Bari, has widened the split in the COMITATO which press releases try to deny. At the same time the strong Socialist-Communist pact evidenced by frequent joint declarations tends to keep them a little aloof from the Partito d'Azione. In addition the Partito d'Azione is divided, those that favor the leftist merger and those opposed. There will probably be three distinct groups within the Comitato instead of the present two. The Socialist - Communist group with the more radical of the Action, the Sforza-Omedeo part of action with the liberal elements of the Liberal and Labor groups, and the Demo-Christians with the industrial and religious elements of the Liberal and Labor groups.

**SECRET****APPENDIX****Strategic Intelligence Extracts No 2**

"The line which has now been reached must be developed defensively forthwith as the main line of resistance. Sufficient depth to form a Main Sector of Resistance will be gained by the employment of fighting patrols and the general improvement of the line". Thus the 14th Army in an order to its sappers on 6th March. It characterises the change of tune which has followed the third unsuccessful attack to eliminate our beach-head on 29 February. Till then it was imperative to show the world that not only the GUSTAV line be held but also any Allied landing, wherever it might come in could be liquidated. Now that the counter thrusts have proved costly and in vain, and as the threat of the next and greater landing draws nearer, the military plan for the situation needs revising even if Hitler's demands are the same.

"At the same time the approach of "D" day for the attack in the West and the increasingly urgent need to assemble the mobile formations of the French-Italian theatre in an area of ready-use must have been a nagging thought in the mind of the Commander in Italy. Eventually he must lose certain of his armored and panzer grenadier divisions; and the realisation at the end of February that even now he had too few of them to finish the job as ordered is now clearly dictating to him a new policy.

"For the moment there is little more for Kesselring to do but wait events. He has enough troops to hold the Anzio and the X Army fronts and to keep at least 90th Pz. Gren. and possibly also 29th Pz. Gren. Divs. in reserve and he is taking the opportunity of rationalising the divisional organisation in both Armies.

"It is not a situation to cause immediate alarm from the point of view of defense. Unless, however, reinforcements come from the North and of higher standard than before, or it will be out of the question both to hold the GUSTAV or HITLER lines and to force the beach-head into the sea. And the prospect of further divisions being sent to France may prejudice even simple defence."

(From X Corps Intelligence Summary - 16 March)

**SECRET**

Final Report

After a long time the  
Soviet go were  
over with the  
new material which  
was on the groups mentioned  
letter.

C.A.S.

C. A. S.

Office of Strategic Services

*Italy - 14 May*

*X Subversive  
Reports  
X Calkins*

ADVISER ON POLITICAL RELATIONS  
DEPARTMENT OF STATE  
WASHINGTON

My dear General Donovan:

March 27, 1944  
I am grateful for your letter of March 12, 1944, enclosing a highly interesting memorandum on the military significance of political conditions in Rome. Thank you very much for this useful material.

It is noted that no mention is made of Bordiga, leader of the Italian Communist Party from 1920 to 1924, when he was expelled from that Party because of tactical differences. I wonder if reports are true that he has a powerful, active group in the industrial areas. Likewise, I notice that there is no reference to representatives of the Malatesta Anarchists, who were very powerful before Mussolini's advent; are said to have maintained their organizational contacts even under the fascist regime; and are reputedly the ablest organizers in Italy. Also no reference is made to Lussù in connection with the Partito d'Azione in Rome.

I should be interested to see anything about these groups which may come to you through similar channels, and what part they might be expected to play in Northern Italy.

Sincerely yours,

*James Clement Dunn*  
James Clement Dunn,  
Director, Office of European Affairs

General William J. Donovan,  
Director, Office of Strategic Services,  
Washington, D. C.

*tele-rt  
d/cw/*

Mr. Wm. J. Donovan,  
CIAA or European Affairs,  
in Department Buildings,  
Washington, D. C.

Dear Mr. DONOVAN:

I enclose a copy of a memorandum on  
the subject of the military significance of politi-  
cal developments in Korea, which, I am sure, will be  
of interest to you.

Sincerely,

William J. Donovan,  
Director

**SECRET**

Mr. George Cilly  
The White House

J. A. Conrad

I am sending something which I  
think will be of interest to the President.  
Will you please have that the gate to look  
at it?

Thank you.

Hincerely,

William J. Donovan  
Director

10 March 1964

**MEMORANDUM FOR THE PRESIDENT**

Here is a report on the military significance of political developments in Laos. It is the compilation of various items of intelligence coming from our units working behind the lines.

You may find it of interest.

William J. Donovan  
Director

SECRET  
REF ID: A65125  
DATE 1945

21 February 1945

MEMO: The Military Significance of Political  
Conditions in ROME

: Director Strategic Services

The following is a report in four parts on  
political conditions in ROME. This is compiled for the  
information of operational sections of OSS who might deal  
with these groups, and is not a statement of political  
conditions in fact.

Due to the fact that most of the personnel  
of OSS is in German-occupied territory, the greatest  
care must be taken in the use of this material. It should  
not be circulated, even in part, outside the Organization.  
All sources, also, have their information as of  
1944. No sources, also, gave their information as of  
1945. Cooperation with and confidence in OSS,  
and its personnel, should not be used, even inside OSS, in  
any manner which might reveal these sources.

This report contains:

Part One : Introduction and Organisation  
of COMITATO DI LIBERAZIONE

Part Two : RADICAL-MONARCHIST Groups

Part Three : Other elements

Part Four : Operational Opportunities

SECRET

P/L PLAN

SECRET

It is important to know to whom to speak when  
dealing with Southern Italy. The average man  
is not up to political currents and  
what is true in Italy will be the decisions  
of the leaders. It is also important to remember that  
any military action will be exclusively  
the decision of certain groups to bring  
about a "principality", or to having "expotted"  
certain groups still in Italy, the  
decisions of any group to the fight against  
the Communists will relate to the political situation.  
The reactions will be measured by the average man. In each  
case there shall be true of the final conduct

The easy retentive organizations in  
political or social, otherwise definitely  
organized, are less important are the six parties  
and the groups directed by the MUOCIO  
and the organizations like the Church and the  
Communist Party, but will not be decisive.

#### 2. NATIONAL

The "action" Committee of the old Front  
is no longer active, which has lost its importance.  
It is often referred to, even by party members,  
but it is in abeyance or the Comitato dei

Committee is divided into two sub-committees,  
one for each party, with two representatives from each

The head of the Committee is Dr. BONOMI (a non  
Communist lawyer). He is considered by all  
to be a middle ground and Badoglio element.

SECRET

3

35. The job done with Luciferous in Rome is truly  
a difficult one.

The head of the Neapolitan sub-committee is  
LUDOVICO TIPALDI. Other Neapolitan leaders are actually  
located within the committee.

36. The band to work in Naples

MILITARY COMMITTEE ITALIAN  
PRO-INTEGRATIONIST GROUPING

1. MUSICA

2. CAVALLIERA ITALIANO

3. LONGHETTA ITALIANO

4. MARZI

5. GIOVANNI LUKKIO

37. The military Committee in Rome is a great deal  
more militant than the Neapolitan group. The  
head of the committee and the regional sub-committee  
is to be very sensitive, with direction coming from  
(no sources)

38. 1. ITALY

2. NUOVA

3. VALTA

and (head of military section)

39. 1. MARZI (delegate to Bari)

40. 1. JASPERI

2. POMERI, mostly agent

3. PAJARO

41. 1. COLLEGE Board of Military section

2. 1. PIERLUIGI LUDOVICO TIPALDI (delegate to Bari)

3. 1. MARZI (military sub-committee)

4. 1. MARZI (two brothers)

5. 1. COLLEGE (not real name, military committee)

SECRET

Cpl. HUGO GOMEZ (military sub-constitue)  
Lt. BRACELLI (delegate)

Major RICARDO JOSÉ DE OLIVEIRA  
Sociedad Rural (Conservative leader, Vatanda)

General

MARIA MELA  
ESTANCIAS  
MILITAR  
GENERAL

(military constituente)

GENERAL  
MUTRIZO (?)  
GENERAL (?)  
GENERAL (now in Naples)

General LIMA (see also Part Three)

GENERAL SANTIAGO MARRO

GENERAL VITTORIO (military sub-constitue)

GENERAL

GENERAL ANTONIO VILA

GENERAL

GENERAL

GENERAL VIEIRA

(milit. demo-Christian?)  
(reported by most reliable  
sources arrested and  
possibly shot. Two normally  
reliable sources say he is  
alive and free.)

GENERAL

GENERAL MIGUEL ALVAREZ CASALI (constitute)

GENERAL ANTONIO CALVI (delegate to Brazil)

GENERAL FRANCISCO APPENDINO (Liberal leader in Naples)

SECRET

CONFIDENTIAL

ANARCHIST  
COMMUNIST  
SOCIALIST  
PEASANT  
DEMOCRATIC  
PARTY (LNU)

### APPENDIX: COMITATO AND PARTIES

a. Distribution of strength in Rome shows very similar to April, 1944 as the strength of the inherent union of the four parties by the six parties of the COMITATO. It is hard to judge, particularly in La Roma the population more unite in action directed by the COMITATO recently clarifying its political views.

b. The COMITATO has good liaison with the North and Southern (ALLIAN) COMITATO mentioned as strong, also UNRRA). In the north resistance seems less political, one arrangement of the parties in Rome stating that bands of the R.S.I. were very well organized, and the parties here are, there are only five parties in the Northern Comitato (no "comunione dei lavori").

c. The political opinion of the ROMA COMITATO is very difficult to appreciate, since the tending and retarded nature of the Allies have evidently changed the situation. A man at coalitions from ROMA stated that those six parties were extremely influential in ROMA and the North. He said that they were against the present King, but accepted the Republic Government temporarily, and he said definitely that monarchist parties in the North (e.g., UDC, PDU, etc.) were non-existent.

d. A summary of opinions and recent information concerning Italian Government and local political situation indicates important political strife in view to . The opinion is that the COMITATO is believed to be the former unity. The three strongest parties

SECRET

48

the three main ones with important military elements in the  
Communist and Socialist groups are either nominally controlled or  
controlled directly by the BAIXGUBO Government) are the  
Communists, Socialists and Partito d'azione. They have  
declared themselves absolutely unwilling to assist the  
BAIXGUBO Government in their representatives in Rome.  
The three larger lesser parties are described by  
the Foreign Office as follows. This opinion is being  
held by the present Italian Government  
and is as acceptable except that it is confirmed  
by the Foreign Office. In the other hand there are very few  
in expectation that BAIXGUBO has aided with the larger  
parties (notably under his presidency) and only the  
Socialists (who in Northern Italy have undoubtedly  
aided the Communists - the Prince, if not the King)  
are likely with BAIXGUBO's representatives. A discussion  
of the Communists' relationship to the BAIXGUBO go-  
vernment is left in Part IV.

The Communists, Socialists and Partito d'azione  
are the best organized and strongest of  
the Communists have the greatest security (due  
to their type organization) and have the only military  
force in irregular warfare. The Socialists  
are the largest party in Northern Italy. The Partito  
d'azione has a reputation for having intellectual leaders  
and, among the documents collected, shows the  
most skill in their propaganda, both political and  
military.

2. The three smaller parties, the Neo-Chris-  
tian and the Agrarians. They are presently backed by the  
King and the royal, if not the native membership,  
and the various churchgoers. Although the ROMI head  
of state, the King, and the Church, are supposed to be the  
most powerful, local representatives of the party claim that  
they would prefer that Victor Emmanuel  
should remain at the end of the war in Europe. The  
representatives of the Liberal Party and the Democracy  
Party will support the King in ROME. This is improbable  
as the two tribunals statements of CIOCCO AND ORLANDINA, who  
have more influence in the North than they do in  
Southern Italy, and representatives of the Liberal Party also  
support the King.

SECRET

**LUDORFIC****1. THE ALLIED STAFF**

In the immediate postwar period, the Badoglio government was compelled to leave Rome, having plans to give General Diaz and his military government a place of safety temporarily. This group had several responsibilities: One, to take over from the Germans; two, to defend Rome against the Germans; three, to defend Rome against the Communists; four, to maintain civil order; and five, to maintain law and order. The last two obligations were eliminated and strengthened.

It is important to review the now well-known events immediately following the armistice. It is important to bear in mind that the Armistice in September and subsequently the withdrawal from the plains of the Italian army were agreed on Badoglio's partly accounts of the situation which actually took place. It is also important to have these stages of planning.

The Italian government, believed that the Allied forces would be swift. They also were told by the Italian authority that, temporarily, at least, they would remain the Italian authorities. The pre-war joint point of view - invasion and the Italian government invited the government from organs of the military state and failed to secure the support of the Italian government in both Army and Air Force. The Italian government (by some) had "fifteen column" which probably facilitated cause thelessness of the Italian government. This is the alleged reason for the failure to be able to restrict the Germans. Eventually

**SECRET**

There were differences between the  
Communist and Socialists in their  
views on the war and its consequences.  
The Communists were more inclined to  
believe that the war would bring about  
the desired socialization because by that time  
there was a leadership in the working class  
which had occupied Italy, which Savoia and  
the rest politically free and disengaged, and  
thus the effects of the Comando Supremo towards  
the workers had a relatively non-political and almost pa-

rtisan character. In the present phase  
the situation is the present one. The Gov-  
ernment is receiving unofficial, but highly pleased  
and militant nations will follow a moderate  
policy of "communism" outbreaks during the period  
of transition to Italy. In the volatile atmosphere  
of Italy, where popular opinion seems to change quickly  
from one extreme to another, and monarchist parties are  
still strong. The open support of the principal Ital-  
ian party, the retention by the Allies of men  
loyal to the present King (such as Garibiniere),  
and transfer of most of Southern Italy to Italy  
will have to entangle the King and Badoglio into  
some kind of arrangement, or one selected by  
him after the war. The current phase is  
one of official monarchist control.

#### HEAD OF THE RAI IN ROME.

He was in charge as of the 1st of last year  
of the Radiotelefonica (radio) which was organizational  
and technical, while his two recognized  
political movement. He had five agents who,  
however, had already left, and women left behind  
himself, a wholly private. (SECRET)

**SECRET**

also in close liaison with the COMITATO and apparently had harmonious relations with them. He was caught a few weeks ago by the Germans and evidently forced to reveal information regarding the organization.

a. Organization of military section:

General ARMELLINI, head for ROME

General SACCARO, head for North Italy ? (SIM)

General CARBONI, ex-head for ROME, now in

disgrace (see part III) (SIM)

General (?) TOMASI

Colonel PUGLIA, head of Guardia di Finanza, shot in Nov.

Major Lautiari, (SIM Aeronautica)

Colonel TOMASSINI, resistance groups

Major JANNINI, Antonio

Captain MIANI,

GRABURINI, police Chief for ROME under Fascist,

now arrested by the Germans.

The military section organized among a) disbanded army units, b) disbanded police units (Carabinieri, Guardia di Finanza), and c) police units working for Fascists who could be counted on at the last minute, (PAI, Guardia di Finanza, Metropolitani). These groups in ROME numbered a potential of at least 40,000 men armed. Most of these last received regular wages from the Badoglio Government.

Outside of ROME winter, lack of food, and contractual political views have cut down the Badogliolist military units to a point where they are no longer very effective.

As a result of MONTZIMOLI and the recent re-organization measures in ROME (many of the police units created for support have been moved North and replaced by AL JULIA and GUARDIA REPUBLICANA) have weakened this military organization. Certainly, several of their ROME units are out. The control of SIM in the organization and the control of BIDOLIO in the City has lessened.

**SECRET**

- The following government action is proposed:
1. All political parties will be banned.
  2. All political parties will be outlawed.
  3. Outcast to begin armed coup against the new government. These groups previously were not recognized as legitimate in order to help pro-Soviet forces. The political parties as there are now in existence.
  4. Executive chamber to begin dismantled of ALL military, and even civilian and the being replaced by a military. Failure to order political group to do so within 48 hours will result in a reversal of all military authority.

**SECRET**

## PART THREE

### SMALL GROUPS

1. In a military sense no smaller organizations are significant. The majority of groups in Italy and North Africa began inspired only by hatred of the Germans. Particularly in the North these groups, workers, Army officers, and farmers, have retained to a large extent a non-political attitude. Their leaders, however, the men from whom they will take orders because it is from them through whom they receive supplies, organization, and money, are almost all political. It is important, therefore, to realize that, though many bands in the North give themselves one name or another, they will follow the leadership of one of the large groups outlined in Parts ONE and TWO. The information given below will be useful for making contacts but is not significant in any estimate of the future of Italian resistance to the Germans.

### 2. THE CATHOLIC CHURCH

Vatican and Church-led groups are the most important of these smaller groups. Church groups are considered as distinct from the Partito Demo-Cristiano.

#### a. The Church politically

The Vatican is a neutral State and is anxious to preserve that neutrality for religious and political reasons. The Vatican cannot afford to alienate Catholic groups or Axis or pro-Axis countries, nor can it run the risk of giving the Germans the diplomatic excuse to enter Vatican lands. Consequently, overt activity in favor of any side, or of any party in Italy, is impossible. The Church partly endorses the Demo-Christian party and the clerical elements of other political parties, but cannot afford to be committed to open endorsement of either. One is, after all, loyal to the friendly political COMITATO which includes Communists, but others supports a Masonic royal house, whose position is not secure.

**SECRET**

### II. THE CHURCH AND RESISTANCE

It would normally be difficult to prove such claims, but here it can be done because the Church is always being used as a safe hide away. It is in doing so, as does not seem to indicate use of a large number of the International Comitee group, evidently, Italian Communists and particularly the right wing Stalinists convinced the Vatican that support of Italian resistance against the Germans was favorable. This is true. Considering the intelligence and propaganda work carried out in Germany and Poland began in Italy, clearly the majority of the energy in German occupied Italy work in hidden esp. with resistance organizations.

### III. ORGANIZATION OF VATICAN RESISTANCE

The Palestine Guardia in the Vatican City were 1500 at the beginning of September and in December 1943 1800 strong. (Source: agent).

A colored American officer in hiding in Rome, to escape when the district he was in was to be searched by the Nazis. The Vatican Ethiopian Legation, twenty men, visited that house; after the visit twenty-one black telephones re-entered the safety of the Vatican City. (Source: agent).

Bonalogo MAGLIONE, Papal Secretary of State officially informed the Allies that the Father Superior of a certain Charon abbey was pro-Nazi and dangerous. This is, of course, the temporal voice of the Church taking a neutral state breaking its neutrality. It is a false type of dual logic that the Church today can be the home, everyone from anarchists to Nazis. Benedict XV, Jesu, Italian officers, Biagioli's, De Gasperi, communist leader, the Partito d'Azione and De Gasperi Garibaldi have all found haven and guidance in church and convent net-work through North Italy. (Source: Messenger from ROME).

d. The above examples are to demonstrate that, generally, the Vatican is a sure source of aid in flight

**SECRET**

... the present moment is highly charged,  
and the situation is likely to deteriorate  
unless there is a return to the status quo.

... it is difficult to imagine how  
such a situation could be paralleled  
in the Government's view.

... in particular, because

... in this case there is no precedent.

... 114



~~SECRET~~

~~OPERATIONAL OPPORTUNITY~~

1. Irregular military operations in Northern Italy will now be possible on a large scale. Unlike the situation of partisan forces found in Yugoslavia and Greece, resistance groups in Northern Italy are at present relatively united.

2. There is great collaboration among the various military and political groups in the North. The example of the regular Army hiding in the mountains, fed and informed by socialist or communist workers, and financed by industrialists is an encouraging one. At present, Allied Special Operations agencies can work freely with Communist and Badoglio Groups, knowing that resistance organizations will work together.

3. Another advantage is the efficient Church organization and the willingness of the Church to collaborate. Other potential chains for cover and intelligence are labor unions, which are still weak, and the Freemasons.

4. This state of opportunity will not necessarily last. From the most reliable reports, it is apparent that the Germans place great importance on the decisions to be made when the Allies arrive in ROME. Government sources are alarmed over the alleged threat of armed opposition to their authorities in ROME. Some of the political parties have indicated that under present circumstances such a threat is real. Others deprecate such reports as exaggerations originating in the excited atmosphere of Naples and propagandized with political intent. The most common theme, yet in the defensive Government attitude and the attacks by the parties, is the abdication of the present King. One side argues that the abdication in these times would cause more division, the other side claims that, unless the King does abdicate, Italian resistance to the Germans will never be important.

~~SECRET~~

SECRET

OSS SECY. DEF. G-2  
HEADQUARTERS  
FIFTH ARMY

X Chlman  
23 February 1944

cc : Director Strategic Services

The enclosed contains particularly a report  
explaining the military significance of political  
developments in Rome.

It cannot be too strongly emphasized that a lack  
of official American policy is hurting the position of all  
United Nations in Italy. This lack has encouraged  
most lack of political reporting and activity which is  
going on without proper authority. This has confused the  
actions of all factions and has failed to impress Allied  
representatives with the importance of political decisions.

The general impression here is that Allied civil  
and military are uninformed. Particularly the few American  
officers here seem unaware of the significance of Italian  
political movements or of the independent activities of  
other Allied Nations. This Detachment has received information  
from Italian groups which it has been asked not to turn over  
to other Allied authorities for fear of indiscretions or unjust  
accusations.

It is important that either America adopt a strong  
policy which will eliminate the "wild-cat" manoeuvres of  
certain American individuals or agencies or else be so well  
informed on the political and economic endeavors of the  
Italian and Russians that pressure can be exerted to enforce  
a truly United Nations policy.

*Malcolm W. Callahan*  
MALCOLM W. CALLAHAN  
1st Lt. AUS  
Intelligence Officer

**SECRET**

ONE SPED. 1944  
HEADQUARTERS  
PROMAN

21 February 1944

SUBJECT: The Military Significance of Political Conditions in ROMA

TO : Director Strategic Services

1. The following is a report in four parts on political conditions in ROMA. This is compiled for the benefit of operational sections of OSS who might deal with these groups, and is not a statement of political opinion by this section.

2. Due to the fact that most of the men referred to will be in German-occupied territory, the greatest care must be taken in the use of this material. It should not be circulated, even in part, outside the Organization. The sources, also, gave their information as an expression of cooperation with and confidence in OSS; in circulation should not be used, even inside OSS, in a manner which might reveal these sources.

3. This report contains:

Part One : Introduction and Organization of COALIZZO DI LIBERAZIONE

Part Two : BADOGLIO-MONARCHIST Groups

Part Three: Other elements

Part Four : Operational Opportunities

**SECRET**

## PART II

### RESISTANCE

Fascism, interrupted as it was, has been known to us in most areas of Northern Italy. The average man is to know more about the political currents and conditions now important to Italy will be the following: 1) who is now in power. It is also important to remember that the German occupation will be eventually eliminated. 2) who is capable of certain groups to begin anti-fascist, non-political, or be having forgotten. 3) who in Italy, now-political, or be having forgotten. 4) who in the Germans are still in Italy. The maximum cooperation of any group to the fight against fascism will be relative to the political situation. 5) what is usually regretted by the average man in each case. This nevertheless will be true of the final conduct of the Germans.

There are many resistance organizations in Italy, some purely political or social, others definitely military. Of these the most important are the six parties of the DALATU and the groups directed by the BALOGLI. Presently. Other organizations like the Church and the Comunisti might be important, but will not be decisive.

### THE COMITATO NAZIONALE

Above is "cotton" Committee of the old fronte della Liberazione, which has lost its importance. The Committee is often referred to, even by party members, as the Comitato della Liberazione or the Comitato del popolo.

The Committee is divided into two sub-committees, one for military, with two representatives from each party.

The head of the Committee is Dr. ROMA (a member of the Comitato del Lavoro). He is considered by all to be, in reality the outside groups and Baloglio elements,

**SECRET**

THE LINE OF THE THAI WITH INFLUENCE AND THOSE WHO  
ARE INFLUENCED

The head of the military movement the  
general PRASERT, OTHER MILITARY LEADERS ARE  
ALSO IMPORTANT WITHIN THE STRUCTURE.

Parties with the most influence include:

PARTY OF DEMOCRATIC UNION  
PARTY OF DEMOCRATIC DEFENSE  
PARTY OF LIBERTY  
PARTY OF COMMUNIST THAILAND  
PARTY OF LIBERTY THAILAND  
PARTY TO LIBERTY  
PARTY OF THAI LABOR

The Chalitabut Committee in Rome is a great deal  
more important than the Neopradit group. The  
relations between the Chalitabut and the regional organizations  
used to be very good, with travelled coming from  
(July 1970)

THE CHALITABUT

CHALITABUT  
P. W. P. CHALITABUT  
LAE, CHALITABUT  
G. (deputy)  
CHALITABUT (delegate to Paris) (head of military section)  
CHALITABUT (delegate to Paris) (delegate to Paris)

THE CHALITABUT MEMBERS

MAJOR DR. RAUPATI  
COL. JINTUCH, Sec'y gen'l  
LAE, CHALITABUT  
COL. KHAMUE CHALITABUT (head of military section)  
COL. PATEE CHALITABUT (delegate to Paris)  
COL. CHALITABUT (military sub-committee)  
COL. LAO (two brothers)  
COL. NAWAPAT (not real name, military committee)

**SECRET**

CHIEF DIRECTOR OF THE  
SACRED OFFICE

SECRETARIAL LINE OF DIAZ DE LA ROSA  
DIRECTOR OF SECURITY  
PRESIDENT GENERAL

ARMED FORCES

GEN. ALVARO  
ESTEVEZ CALVET  
GENERAL MINISTER  
GENERAL SANTOS

(military section)

ADMIRAL VILLANUEVA

ADM. MUSICO (?)  
ADM. MUSICO (military?)  
ADM. MUSICO (not in Naples)

ARMED FORCES (see also PART THREE)

GENERAL CUCCHIARO

GENERAL VITTORIO (military sub-committee)

GENERAL GATTI

GENERAL ARNONE

GENERAL GATTI

GENERAL FRAGOLI

GENERAL GUEDEA

(militia demo-Christian?)  
(reported by most reliable  
sources arrested and  
possibly shot. Two normally  
reliable sources say he is  
alive and free.)

ARMED FORCES

Gen. ALBERTO CASATI (Conte?)

DURL. ANTONIO CALVI (delegate to Bari)

Attv. Giacomo APPERANO (liberal leader in Milan)

SECRET

SECRET - ROMA

PRODUCT NAME  
 CALL NUMBER  
 CLASSIFIED  
 DRAFT (sec)  
 PRIORITY (Is priority of security and morale 100)

ROME COMITATO AND PARTIES

a. Estimates of strength in Rome alone vary from 10,000 to 400,000 as the figure for the adherents which is to be reckoned by the six parties of the COMITATO. It is difficult to judge, particularly so in Rome where the various groups unite in action directed by the COMITATO without necessarily sharing its political views.

b. The COMITATO has good liaison with its North Italian Comitati (NORDINO COMITATO mentioned as strong, also MILANO). In the north resistance seems less political, one initiative of the parties in Rome stating that bands in the North were very well organized, and the parties less so. There are only five parties in the Northern Comitati (the Democrazia del Lavoro).

c. The political opinion of the ROME COMITATO is difficult to appreciate, since the landing and retarded return of the Allies have evidently changed the situation. A man not coming from ROMA stated that these six parties had been, until recently, influential in ROMA and the North. He was uncertain that they were against the present King, but he was not the Biaglio Government temporarily, and he believed definitely that monarchist parties in the North (revisionist groups) were non-existent.

d. A summary of opinions and recent information on the Italian Government and local political situation indicates important political strife in Rome. The opinion is that the COMITATO is believed to have lost its former unity. The three strongest parties

SECRET

for the following  
Liberals, Labor  
Conservative  
Socialist, Social  
Democrats, etc.  
In addition,  
there are  
numerous  
newspapers  
and periodicals  
published  
by other groups  
such as National  
Parties (Anarchists),  
Communist, Social  
Democrats, etc.  
A report by the  
U.S. State Department  
states that  
England still  
carries on the  
spirit of the United  
Kingdom, and  
that  
religion still  
is strong in  
England.

6. The Communists are the  
most active in England, and have  
the largest following. The Communists are  
to the left type organization, and  
are not as well organized as the Social  
Democrats, who are more popularly known.  
The Communists  
have the reputation for being radical  
and hot, judging from documents collected  
over a great amount of printed propaganda, both political and  
economic.

7. Of the three major parties, the Conservative  
Party is the strongest. They are present, backed by the  
Church, and have the approval of not the active members but  
of the middle-class churchgoers. Although the Church has  
not been Christians, and the Church, are opposed to the  
Communist Party, local representatives of the party claim that  
they do not interfere with their religious beliefs.  
The Conservative Party is the most conservative  
of the three, except the Liberal Party, who is thought  
to be the most liberal. It is felt to statements of CHURCH AND CHAMBERS, who  
are known to have been informed in the world that they are  
the most representative of the United Party  
in the United Kingdom.

SECRET

III. OPERATIONS

When the Americans had agreed with the British  
that they would have to leave Italy, many plans  
had been put into effect by the Italian government.  
It was decided that General Giardino, who had  
been given command of the resistance, should be made  
responsible for the defense of Rome. The defend Rome  
was to be done by the Germans, but the defend Rome  
had no time to do this. Badoglio stated to understand  
that he had to leave the people too soon before his Staff  
had time to defense against the Germans; three  
days of German resistance in Milan failed to save  
Milan - about three and four, to capture civil  
rights and two obligations were clarified and stressed  
by the Germans.

It is important to review the now well-known  
events preceding and immediately following the  
armistice. However, it is important to bear in mind that  
on 8th September and subsequently  
on 10th September from the point of view of the Italian  
authorities, the forces on Badoglio partly accounts  
for the invasion which actually took place. It  
must not have been three stages of planning.

The Italian government believed that the allied  
forces would be with them. They also were told by  
the Italian authorities that temporarily at  
least, the Italian authorities. The pre-  
liminary point of view - invasion and the  
Italian government, consulted the government, who organ-  
ized a number of military units and failed to secure  
any military assistance to both Army and Air  
Force. It was also believed (by Badoglio) that "the failure  
of the preceding invasion caused the beginning of  
the war to the illegal reason for the failure  
of the Italian officers to resist the Germans. Events

SECRET

... 1943 during the period of the  
... Second World War, the British Government  
... established the Central Intelligence Agency  
... (CIA) to collect intelligence information  
... from foreign sources. The CIA has been  
... involved in many controversial and illegal  
... operations throughout its history.

The CIA's role in the recent conflict in Libya  
... is not yet fully understood, but highly placed  
... officials believe that it will become a major issue  
... in the future. The agency has reportedly  
... been involved in the overthrow of Muammar Gaddafi  
... and has reportedly been involved in the capture of  
... Abu Musab al-Zarqawi, the leader of the  
... Islamic State of Iraq. The agency has also reportedly  
... been involved in the assassination of the Iranian  
... general Qassem Soleimani. The agency has reportedly  
... been involved in the capture of the terrorist  
... Abu Bakr al-Baghdadi, the leader of the  
... Islamic State of Iraq and the Levant. The  
... agency has reportedly been involved in the  
... capture of the terrorist Abu Ali al-Habib, the  
... leader of the Islamic State of Iraq and the Levant.

#### 3. ANALYSIS AND CONCLUSION

The Central Intelligence Agency has been involved in many  
... controversial and illegal operations throughout its history.  
... The agency has reportedly been involved in the capture of  
... Abu Musab al-Zarqawi, the leader of the  
... Islamic State of Iraq. The agency has reportedly  
... been involved in the assassination of the Iranian  
... general Qassem Soleimani. The agency has reportedly  
... been involved in the capture of the terrorist  
... Abu Bakr al-Baghdadi, the leader of the  
... Islamic State of Iraq and the Levant. The  
... agency has reportedly been involved in the  
... capture of the terrorist Abu Ali al-Habib, the  
... leader of the Islamic State of Iraq and the Levant.

SECRET

also in close collaboration with the **ROA** and the **ROAF** in  
order to establish a common front against the  
Soviet Union and the German occupation.  
The **ROAF** are the organization.

b. **Organization of military units**

General **GUERRILLAS**, head for **ROAF**  
General **GUERRILLAS** head for North Italy (GGR)  
General **GUERRILLAS**, command for North Italy  
Commander (see para 111) (GRH)  
General (?) **GUERRILLAS**  
Colonel **RUSSETT**, head of **Brescello**, (about to return)  
Major **FRANZINI**, (SILC Correggio)  
Colonel **ROMAGNANI** - resistance groups  
Major **JACINTI**, Antonio  
Captain **MALDI**  
**TRIVENETO**, Police Officer for North under Fascist,  
now arrested by the Germans.

Two military section organizations namely a) disbanded  
military units, b) disbanded police units (Carabinieri,  
Baldelli, etc.) and c) police units organized for Fascists who  
had not counted on at the last minute, (Pall, Guardia di  
Finanza, Carabinieri). These groups in total numbered a  
little over 100,000 men armed. Most of these  
are now free, fugitives from the Badoglio Government.

Influence of **ROAF** winter, lack of food, and com-  
munist political views have cut down the Badoglio forces  
to a point where they are no longer very  
useful.

The arrest of **MANTOVANO** and the recent re-  
pressions in **ROMA** (many of the police units  
arrested and sent here have been moved North and replaced  
by **GRANDE GUARDIA REPUBBLICANA**) have weakened this  
military organization. Certainly, several of their **ROAF**  
units are now out. The control of **SIR** in the organization  
and control of **BALZELLO** in the **OSS** has lessened.

**SECRET**

- a. The Italian Government has been asked to strengthen their position.
- a. BADOGLIO has informed the Allied Command that an ALLEN will be liaison between him and the Interim government with the Città Ordine.
- b. Contact is being made and money given to more anti-communist groups. These groups previously were not well organized, but an effort is being made to have pro-Badoglio sections from the political parties so they are now in Southern Italy.
- c. A tremendous campaign is being carried out at Allied policy. ACI, ANI and even military units are being warned constantly that the failure to order political groups to work to recognize BADOGLIO authority will result in a revolt dangerous to Allied military security.

SECRET

**PART THREE****1. MILITARY**

In a military sense no smaller organizations exist in Italy. The majority of groups in both the North and South began inspired only by a hatred of the Germans. Early in the North these groups, workers, Army, sailors, etc., have retained to a large extent a non-political attitude. Their leaders, however, the men who lead them will take orders because it is from them that they will receive supplies, organization and money. Not all political. It is important, therefore, to realize that though many bands in the North give themselves one name or another, they will follow the leadership of one of the large groups outlined in Parts ONE and TWO. Information given below will be useful for making contacts, but is not significant in any estimate of the future of Italian resistance to the Germans.

**2. CATHOLIC CHURCH**

Vatican and Church-led groups are the most important of these smaller groups. Church groups are considered as distinct from the Partito Demo-Cristiano.

**... THE CHURCH POLITICALLY**

The Vatican is a neutral State and is anxious to preserve its neutrality for religious and political reasons. The Vatican cannot afford to alienate Catholic groups in pro-Axis countries, nor can it run the risk of giving the Germans the diplomatic excuse to enter Italy. Consequently, overt activity in favor of any group, of any party in Italy, is impossible. The Church cannot be enemies of the Demo-Christian party and the clerical element. It is not racial parties, but cannot afford to be attached to an encroachment of either. One is, after all, a member of the purely political COMITATO which includes Communists, the other a member of a Masonic royal house, whose position is not secure.

**SECRET**

1. **DISMISSED**  
The Italian Government has been informed that the  
Government of France has decided to disband the  
French Foreign Legion. This decision was taken  
in view of the present situation in Algeria and  
the desire of the French Government to  
concentrate its military forces in the  
country in Germany and Poland, began in  
September 1961. The Foreign Legion is  
now being disbanded with resistance offered by  
some 1,000 French volunteers.

2. **DISMISSED**  
The Italian Guards in the Vatican City were  
reduced in number at the beginning of September and in October  
to 120 guards (fourteen groups of  
ten men each).

A colored American officer in Italy was  
arrested in Rome and the situation he was in was so dangerous  
that he had to stay in the station house for 24 hours. The Vatican Telegraphic Bureau said  
that it was believed that during all the while everyone  
was working to ensure the safety of the American citizen.  
(SAC, ROME, 10/10/61)

3. **DISMISSED**  
MONSIGNOR MAGLIORE, Papal Secretary of State  
and Superior General of the Order they the Father Superior  
of the Order of Saint Benedict was pronounced one dangerous  
spirit in whose abbey was pronounced one dangerous  
spirit, of course, the temporal voice of the Church  
is, in fact, a neutral state breaking the neutrality and  
the type of dual regime that the Church today can  
not tolerate, everyone from anarchist to monarchist  
from republicans, Jews, Stalinists, Badoglio's  
and others, communist leaders, the Partito d'Udine and  
Fascist Germans have all found refuge and hideout in  
the church and convents work through North Italy.  
(LNU, Messenger from Rome)

4. The above examples are to demonstrate that  
the United States is a mere source of aid in fight  
against Communism.

SECRET

The Communists have not yet been able to form, and certainly not consolidated, its political policy with regard to post-war Italy. It is of interest to operation with resistance groups.

#### 2.2 POLITICAL GROUPS

The major political group outside of the Resistance is difficult to define as their organization is frequently changing their names.

There is evidently an orthodox branch of the CP. The COMMUNISTI D'ITALIA seems to be the name of its publication is the "Bandiera Rossa" and its leader is not pro-Stalin Russia, rather pro-Lenin. It may or possibly the same group are Partito Comunista, and Trotziki Socialisti (possibly a Trotskyite). Their leader appears to be MATTIOTTI.

Another so-called Communist group is the CATTOLICI COMUNISTI, in reality a violent sect. The combination of names is designed to support of both church and workers, but, so far, it is not clear. Advocate RODANO is alleged to be the leader.

CATTOLICI SOCIALISTI is another group which appeal to both middle and lower classes. It is open to Italian Protestants. Prof. BRUNI is the leader. It is weaker than the Cattolici.

PARTITO REPUBBLICANO INDEPENDENTE led by GATTI is still small. It may have some connection with other groups. (see CARCINARI below)

#### 2.3 NON-POLITICAL GROUPS

There are numerous bands of "patriots" composed

**SECRET**

SOURCE

REGULAR AND IRREGULAR RESISTANCE  
THIS SOON BE ADDED TO THE ARMY AS WELL. UNLESS THE GERMAN ARMY FORCES THEM TO FIGHT ONCE AND FOREVER IN ITALY THEY ARE AT PRESENT RELATIVELY USELESS.

THESE 14 GROUPS COLLABORATE AMONG THE VARIOUS SOUTHERN AND NORTHERN GROUPS IN THE NORTH. THE EXAMPLE OF THE REGULAR ARMY HOLDING IN THE MOUNTAINS, BUT THE LEADERSHIP BY SOCIALIST OR COMMUNIST PARTIES, AND FINANCED BY INDUSTRIALISTS IS AN ENCOURAGING ONE. AT PRESENT, IT IS NOT KNOWN WHETHER OPERATIONS AGAINST THE GERMAN ARMY CAN WORK SMOOTHLY WITH THE JUVENTUD AND DEDOGALLO GROUPS, BECAUSE THAT RESISTANCE GROUP IS NOT YET FORMED.

ANOTHER ADVANTAGE IS THE EXISTENCE OF THE CHURCH OF CHRISTIANITY, AND THE WILLINGNESS OF THE CHURCH TO COLLAPSE. OTHER POTENTIAL PARTIES FOR COVERT AND PATRONIZING SPYING AND SUBVERSION, WHICH ARE STILL WORKING, AND THE FREEDOMISTS.

THIS STATE OF OPPORTUNITY WILL NOT NECESSARILY LAST. FROM THE MOST RELIABLE REPORTS, IT IS APPARENT THAT IT IS OF GREAT IMPORTANCE ON THE DECISIONS TO BE MADE WHEN THE ALLIES ARRIVE IN ROMA. GOVERNMENT SOURCES SAY THERE IS OVER THE ALLEGED THREAT OF ARMED OPPOSITION, A LOT OF ANXIETY IN THE AUTHORITIES IN ROMA. SOME OF THE POLITICAL PARTIES ARE ANXIETY THAT UNDER PRESENT CIRCUMSTANCES SUCH A THREAT WILL NOT HAPPEN. IN THE EXCITED ATMOSPHERE OF NAPLES AND PROPHETIC OF THE POLITICAL INTENTION. THE MOST COMMON THEME, IN THE DEFENSIVE GOVERNMENT ATTITUDE AND THE ATTACKS ON THE KING, IS THE ABOLITION OF THE PRESENT KING. IT IS NOT CLEAR WHAT THE ABOLITION IN THESE TIMES WOULD MEAN. IN TELAVIANO, THE OTHER SIDE CLAIMS THAT, UNLESS IT IS OF MAJOR IMPORTANCE, ITALIAN RESISTANCE TO THE GERMANS

SECRET

5. Whichever direction is made by the Allies and  
whatever is the reaction of the Italians, the political  
future should be understood by Allied prairie, particularly  
by OSS. At present, too few Americans are willing to admit  
the importance of politics in relation to regular military  
activity. Of those that see this importance, the majority  
revert and act with political bias. Operations based on a  
lack of information or misinformation could conceivably harm  
the Allied effort. This possibility should encourage sig-  
nals, but unbiased investigation of Italian political  
activity.

**SECRET**

SECRET

Subject: The Military Significance of German  
Conditions in 1945

To : Director Strategic Services

1. The following is a report in four parts on  
present conditions in Russia. This is compiled for the  
use of operational sections of OSS who might deal  
with these groups and is not a supplement on political  
conditions, this section.

2. Due to the fact that most of the men referred  
to are still in German-occupied territory, the greatest  
care must be taken in the use of this material. It should  
not be disseminated, even in part, outside the Organization.  
The sources, also, have their instructions as to  
the continuation of cooperation with and confidence in OSS.  
No information should not be used, even inside OSS, in  
a manner which might reveal these sources.

3. This report contains:

Part One : Introduction and Organization  
of COMINTO IN RUSSIA

Part Two : RADIODISSENGER Groups

Part Three : Other Elements

Part Four : Operational Opportunities

SECRET

~~SECRET~~

### RESISTANCE

Political influence in Italy is still strong.  
Thus in most areas of Southern Italy, the struggle will  
have to meet goals about the political groups and  
alliances now important to Italy will be the relations  
reached in 1948. It is also important to remember that  
the organized irregular military action will be exclusively  
military. Despite the claims of certain groups to being  
"only military", "non-political", or to having "forgotten"  
politics while the Germans are still in Italy, one  
and mutual cooperation of any group in the fight against  
the Germans will be relative to the political situation.  
This fact is usually regretted by the groups, but in each  
area, but nevertheless will be true of the final outcome  
of the groups.

There are many resistance organizations in  
Italy, some purely political or social, others definitely  
military. Of these the most important are the six parties  
of the COMITATO and the groups directed by the DEDOGlio  
Government. Other organizations like the Church and the  
"Cattolici" might be important, but will not be decisive.

### COMITATO DI LIBERAZIONE NAZIONALE

Above is "action" Committee of the old fronte  
di salvato della Liberazione, which has lost its importance.  
The Committee is often referred to, even by party members,  
as the Comitato della Liberazione or the Comitato dei  
sei partiti.

The Committee is divided into two sub-committees,  
one political, one military, with two representatives from each  
party.

The head of the Committee is Dr. RIZZOLI (a mem-  
ber of Federazione del Lavoro). He is considered by all  
parties, including the outside groups and DEDOGlio elements,

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Capt. MODIGLIANI (MILITARY SUB-COMMISSIONER)  
Lt. MAZZANTI

Others: Dino GOTTI (possible liaison with CIA influence)  
Vassilios Politis (former Prime Minister)  
Professor GOMBERG

A. HIGH LEVEL

EDO. LA MALFA  
ARMED GUARDIAN  
EDUARDO PERBAUDA  
VITTORIO BAUER (military section)

Francesco ALBRO  
Lt. COL. (?)  
GALLOTTI (military?)  
GRAVIERI (now in Naples)

B. Middle Party (See also Part Table)

PALIO BUCCELLARIO  
M. JUD  
Lt. (?) VITTORIO (military sub-commissioner)  
GARIBOLDI  
Lt. COL.  
GIO. GTO. AMENDOLA  
Lt. COL. GATTO  
Lt. MUSCINI  
Lt. COL. TOSADA  
(military, anti-Christians?)  
(reported by most reliable  
sources arrested and  
possibly shot. Two normally  
reliable sources say he is  
alive and fine.)

C. MILITARY

Lt. COL. FRANCESCO CASATI (Conte?)  
Lt. ANTONIO CALVI (delegate to Party)  
Ltn. LUDVICO AUREGANO (Liberal Leader in Milan)

SECRET

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~~CONFIDENTIAL~~  
~~CIA/CIA~~  
~~CLASSIFIED BY~~  
~~SOURCE~~  
~~DATE~~  
~~AMOUNT (in numbers of pages)~~

~~SECRET~~

a. Estimated of strength in the North by  
CIA, US to Asia, is the figure for the number of  
seats represented by the six parties of the COMITATO. It  
is impossible to judge, particularly as it does not  
represent any value in action directed by the COMITATO  
without necessarily sharing the political views.

b. The COMITATO has good liaison with the North  
and South (SILANO COMITATO mentioned is strong, also  
SILANO). In the North resistance seems less well organized, one  
exception being of the parties in Rome stating that beside  
in the North were very well organized, and the parties less  
so. There are only five parties in the Northern Comitato  
(no communists or liberals).

c. The political opinion of the NSR COMITATO is  
not evident to experts, since the leaders and retarded  
one of the groups have evidently changed the situation.  
According to RUSI stated that these six parties  
are considerably influential in Rome and the North. He  
also stated that they were against the present king, but  
against except the Bourgeois Government temporarily, and he  
stated definitely that monarchist parties in the North  
(with the exception of the communists) were non-existent.

d. A summary of opinion and recent information  
concerning the Italian Government and local political  
situation in the most important political strife in  
Italy. One opinion is that the COMITATO is believed  
to have lost its former utility. The three strongest parties

~~SECRET~~

(and the only ones listed) represent the  
Communist, Socialist and Popular parties.  
The Communists are the largest, the Socialists  
are the second largest, and the Popular  
Party is the third largest. The Communists  
are the most organized, and have the best  
trained leaders, and the best political  
program, government or party importance.  
The Communists and the three major parties are  
the nucleus of all power. This position  
is strengthened by command by the present  
Government, which would be appropriate except that  
it is not so by other methods. On the other hand there are very  
good indications that Monza has allied with  
parties (mainly under his leadership) and  
other institutions who in Southern Italy have  
not agreed with the PRC. It will be  
necessary to wait until Monza's return  
to gain a full picture of the relationship  
of the various parties. A final  
report will be made in Part IV.

c. The Communists, Socialists and Popular parties  
are, at least in ROMA, the best organized and strongest in  
Italy. The Communists have the greatest mobility (due  
to their cell type organization) and have the only military  
experience in irregular warfare. The Socialists  
are the most popular party in Northern Italy. The Popular  
Party has the best reputation for having intellectual leaders  
and, judging from documents collected, does the  
largest amount of printed propaganda, both political and  
cultural.

d. Of the three smaller parties, the Demo-Christs  
are the strongest. They are proudly backed by the  
Church and have the approval, if not the active membership,  
of many middle-class churchgoers. Although the ROMA head  
of the Demo-Christs, and the Church, are opposed to the  
current KING, local representatives of this party claim just  
that of their adherents would prefer that Victor Emmanuel  
remain in office until the end of the war in Europe. The  
Italian Government may the Liberal Party and the Democraats  
will accept the King in ROMA. This is improbable  
in view of the public statements of CROCE and CALLAGHAN, who  
probably have more influence in the North than they do in  
any case. The ROMA representatives of the Liberal Party also  
refuse that opinion.

SECRET

~~PART TWO~~ITALIAN MILITARICAL GROUPS

1. When the Arrested was issued and the Italian Government knew that would have to issue some kind of military government to represent the official Italian Government. This group was directed with several responsibilities. One, to hand all State documents from the Germans; two, to familiarize with the instructions on hand (Badoglio stated to understand that the instructions were too weak too good, before the start had time to prepare a defense against the Germans); three, to maintain underground resistance if Allies failed to come in touch within a short time; and four, to maintain civil order. These last two obligations were clarified and discussed very recently.

2. It is unimportant to review the now well-known circumstances preceding and immediately following the armistice. However, it is important to bear in mind that the events of the 8th and 9th September and subsequently are completely different from the plans of the Italian Government. The haste forced on Badoglio partly accounts for the complete confusion which actually took place. It is now evident that there have been three stages of planning:

a. The Italian government, believed that the Allied forces in Rome could be swift. They also were told by some fairly high Allied authority that, temporarily, at least, they would remain the Italian authorities. The pre-existing - from Hitler's point of view - invasion and the rapid commitment to war prevented the Government from organizing resistance at military units and failed to secure the adherence of most units commanders in both Army and Air Forces. It is claimed (by Badoglio) that "fifth column" elements of the pending armistice caused the issuance of false orders. This is the alleged reason for the failure of many of the high officers to resist the Germans. Events

**SECRET**

as the public have desired him.

a. The second phase came in 1945-46. This was characterized by the return of the King and political parties to Italy, and the reorganization from the NCC and the CIO of the administrative and fiscalization control of the new government. Classes brought about a situation in the original invasions of Italy, especially in occupied towns. Both Badoglio and the King were popularly liked and encouraged, and consequences of invasion differed from both Northern and Southern Italy. The effects of the Second World War were devastating, and a completely non-political and general atmosphere of neutrality.

b. The third phase is the present one. The Government constantly receives unofficial, but highly placed, advice that the United Nations will follow a moderate policy for fear of "communists" outbreaks during the period of military activity in Italy. In the volatile atmosphere of Southern Italy popular opinion seems to change quickly from one extreme to another, and non-socialist parties are gaining strength. The open support of the principal Italian military leaders, the retention by the allies of men and units loyal to the present King (such as Carabinieri), the recent transfer of most of Southern Italy to Italian "control" have all heartened the King and Badoglio. It is believed that the present government, or one selected by the King rule Italy after the war. This current phase is marked by a tremendous effort towards monarchist control.

2. ORGANIZATION OF RADIO ROME.

The Badoglio groups as of the 1st of the year 1946 headed by the Colonel MUSTEZOLI whose organizational activities, other than partition, made him the recognized head of the resistance movement. He had five agents acting as spy agents who were not men and women left behind by the government, but nicely patriotic. MUSTEZOLI was

**SECRET**

SECRET  
CIA  
REF ID: A6572  
MAILED 2013 JUN 11 BY CFS  
THURSDAY, JULY 11, 1968  
TO: [REDACTED]

The military section of the Central Committee has been established. It consists of 1) political officers, 2) military officers, and 3) police. These three groups should be counted as the three main branches of the armed forces (Army, Navy, and Air Force). The total strength of the armed forces is estimated at least 30,000 men. This figure includes the 10,000 men who have been mobilized from the interior (over 100,000 men have been mobilized from the interior).

Outside of four cities, led by Leningrad, 200 mobilizing political offices have set up the branch of the military units in a period when they had no military units.

The arrest of Khrushchev and the removal of his supporters in the Army of the Soviet Union and the Central Committee of the Party have been delayed. Khrushchev and his supporters have been removed from the Central Committee. Currently, they will be removed from the Central Committee. The Central Committee of the Soviet Union has been removed from the Central Committee of the Soviet Union.

2. **Political Influence**

- a. **MASSIVE USE OF POLITICAL INFLUENCE**  
but ANALYSTS SAY IT IS POSSIBLE  
AND IN THE INTERESTS OF THE SOUTHERN  
CIVIL GUARD.
- b. Control is being won and enjoyed by various  
political groups. These groups previously were considered  
organized, but an effort is being made to have no single  
organization among the political parties. Authors say now in  
Southern Italy.
- c. A tremendous campaign is being directed at ALLIED  
policy. ALL, AND even military units are being warned  
constantly that the failure to order political groups in  
Italy to recognize BAROLLO authority will result in a result  
dangerous to allied military security.

**SECRET**

12-24-31-11-1000

U.S. and Canadian groups are the most  
important groups, which although  
not distinct from the general public.

#### Attitudes

The U.S. is a neutral state and its actions  
are not directed for religious and political  
purposes, and are not aimed at any specific group.  
The Canadian government has no desire to enter  
into the U.S. and stimulate English to enter  
into Canada, and the possibility in favor of any  
party in Canada, the Canadian, the Canadian  
government, the Canadian party and the Canadian  
government, but cannot afford to be  
any expense, and the U.S. is not able  
to do any expense, which includes the  
U.S. to support a reasonable royal family, whose

SOURCE

## b. The Church

... to help him. He wants the  
Papal Guard to be  
able to do this  
and to be  
able to  
do this  
in a  
way  
that  
will  
not  
harm  
the  
populace.  
The  
Papal  
Guard  
is  
not  
able  
to  
do  
this  
in  
a  
way  
that  
will  
not  
harm  
the  
populace.

15. ~~Information received from [redacted]~~  
The Papal Guard is the best source  
of information at the beginning of August in 1944  
for [redacted] message. (Source: [redacted])

A colored American officer in Rome who  
was engaged with the Vatican in the 1943-44 period  
states that the Vatican was extremely  
anxious about the safety of the Pope.  
After the initial attack on Rome,  
it was feared that the safety of the Papal City  
(current agent).

16. The Papal Guard  
is the best source of information  
about the Allies that the Father Superior  
of the Papal Guard was probably not dangerous  
but in the event the temporal power of the Church  
is lost, it would be breaking its neutrality. It  
is the type of civil logic that the Church would not  
allow everyone from around the world to  
enter, draw Italian citizens and  
others, especially during the post-war situation and  
that certain individuals have all found their own interests in  
the new government throughout North Italy.  
At the moment from [redacted].

The above can be used also to demonstrate that  
the Vatican is a safe source of information

**SOURCE**



The organized groups  
of Italian Communists  
are, in general, the  
most numerous of the  
existing proletarian  
parties. It is evident that they are  
not yet able to be numerous or  
to exert considerable influence.

Italian Communists, while  
numerous and spread widely in Italy,  
are, in general, the result of amalgamation  
of existing proletarian elements of all  
types. In other words, since there is no  
single proletarian party in Italy and, therefore,  
no single party in Italy and the Italian Government  
is based on a mass but the Italian Government  
is very uncomfortable, because the Government  
feels that it is not whole-heartedly anti-fascist. The  
Communists themselves do not claim leadership in  
any part of Italy, but have not yet made any  
real attempts.

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**SECRET****PALMOLIVE****GENERAL DISCUSSION**

2. Irregular military operations in Northern Italy will soon be possible on a large scale. Unlike the divisions of partisan forces found in Yugoslavia and Greece, resistance groups in Northern Italy are at present relatively united.
3. There is great collaboration among the various military and political groups in the North. The example of the regular Army being in the mountains, fed and informed by socialist or communist workers, and financed by industrialists is an encouraging one. At present, skilled special operations agencies can work freely with Communist and Badoglio Groups, knowing that Resistance organizations will work together.
4. Another advantage is the efficient Church organization and the willingness of the Church to collaborate. Other potential allies for power and intelligence are the unions, which are still weak, and the Freemasons.
5. The state of opportunity will not necessarily last. From the most reliable reports, it is apparent that the Italian press gives great importance on the decisions to be made by the Allies arriving in Rome. Government sources have stated over the alleged threat of armed opposition to the authorities in Rome. Some of the political parties have indicated that under present circumstances such a threat is real. Western deprecate such reports as exaggerations or reflecting in the excited atmosphere of Naples and propagated with political intention. The most common theme, both in the repressive government attitude and the attacks of the parties, is the abdication of the present King. One side argues that the abdication in these times would cause more confusion, the other side claims that, unless the King does abdicate, Italian resistance to the Germans will never be important.

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ONE REPRO. URG. C.R.  
HEADQUARTERS  
FIFTH ARMY

18 February 1944

SOURCE : The Military Significance of Political  
conditions in ROME

TO : Director Strategic Services

✓ 1. The following is a report in four parts on  
political conditions in ROME. This is compiled for the  
benefit of operational sections of OSS who might deal with  
these groups, and is not a statement of political opinion  
by this section.

2. Due to the fact that most of the men referred  
to are still in German-occupied territory, the greatest  
care must be taken in the use of this material. It should  
not be disseminated, even in part, outside the Organization.  
The sources, also, gave their information as an expression  
of cooperation with and confidence in OSS, and information  
should not be used, even inside OSS, in a manner which  
might reveal these sources.

3. OSS R. & A. Naples, has all the information  
available on political conditions in Southern Italy, which  
are, therefore, not discussed in this report.

4. This report contains:

- |            |                                                               |
|------------|---------------------------------------------------------------|
| Part One   | : Introduction and Organisation<br>of COMITATO DI LIBERAZIONE |
| Part Two   | : BADOGLIO-MONARCHIST Groups                                  |
| Part Three | : Other elements                                              |

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**SECRET**

Part Four • Operational Opportunities

Malcolm J. Callanan  
Intelligence Officer



CC : Colonel GLAVIN  
Colonel REUTERMAN  
OSB R. & A.

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**SECRET****PART ONE****INTERVIEWER:**

Political interest in Rome is much stronger than in most areas of Southern Italy. The average man wants to know more about the political currents and realizes how important to Italy will be the decisions reached in ROMA. It is also important to remember that no organized irregular military action will be exclusively military. Despite the claims of certain groups to being "only military", "non-political", or to having "forgotten" politics while the Germans are still in Italy, the unconditional cooperation of any group to the fight against the Germans will be relative to the political situation. This fact is usually regretted by the average man in each group, but nevertheless will be true of the final conduct of all groups.

There are many resistance organisations in ROMA, none purely political or social, others definitely military. Of these the most important are the six parties of the COMITATO and the groups directed by the DADOGNAC. Other organisations like the Church and the "Cartonieri" might be important, but will not be decisive.

**COMITATO DI LIBERAZIONE NAZIONALE**

Above is "action" Committee of the old Fronte Nazionale della Liberazione, which has lost its importance. The Committee is often referred to, even by party members, also as the Comitato della Liberazione or the Comitato dei sei partiti.

The Committee is divided into two sub-committees, political and military, with two representatives from each party.

The head of the Committee is Dr. DONOMI (a member of Proletaria del Lavoro). He is considered by all parties, including the outside groups and Redoglio elements, to be one of the few men with influence in Rome who is truly unrepresented.

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The head of the military sub-committee is General PENOLIVERA. Other military leaders are generally more important within the committee.

Parties are the same as those in Naples.

PARTITO SOCIALISTA ITALIANO  
PARTITO DEMOCRATICO COMUNITARIO  
PARTITO D'AUTONOMIA  
PARTITO COMUNISTA ITALIANO  
PARTITO LIBERALE  
DEMOCRAZIA DELL' LAVORO

The Comitato Centrale in Rome is a great deal stronger and more unified than the Neapolitan group. The liaison between the Comitato and the regional sub-committees is supposed to be very good, with direction coming from Rome. (Many sources)

#### Socialists

PISTOIO NENNI  
BRUNO MUOZZI  
Ing. ROMITA  
BALLO (head of military section?)  
LONGOBARDIA (delegate to Bari)

#### Christian Democrats

ALCIDE DE GASPERI  
CARLO GRONONI, sec'y gen'l  
AVV. STADARO  
Col. ERCOLE CHIRI, head of military section  
Prof. STEFANO STOONDO TIPALDI (delegate to Bari)  
ENRICO NAVARRO (not real name. Military committee)  
Lt. RINALDI (military sub-committee)  
Lts. METI (two brothers) "  
Capt. ROCCICRII " "  
Lt. BRACCINTI " " (communist?)

others: Duccio SCOTTI (possibly a banker, Church influence)  
Eugenio BOHEM (Observatorio Romano, Vatican)  
Eugenio CONNELLA " " " "

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**MILITARY SUB-COMMITTEE**  
**ARMED FORCES** (Military Sub-Committee)

others:

GIOACCHINO  
 GATTICO  
 GIOVANNI  
 GIOVANNI  
 GIOVANNI (now in Naples)  
 GIOVANNI  
 GIOVANNI

~~SECRET~~ (see note Part Three)

PALMA SCOCCHIA  
 PALMA  
 VICTORIO  
 GIOVANNI  
 GIOVANNI  
 GIOVANNI  
 GIOVANNI  
 GIOVANNI  
 GIOVANNI  
 GIOVANNI

(military sub-committee)  
 (military sub-committee)

(Milit. demo-Chiavagno)  
 (Milit. demo-Chiavagno)  
 (reported by most reliable  
 sources arrested and  
 possibly shot. Two normally  
 reliable sources say he is  
 alive and free).

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SGL. ANTONIO SAVATI (Conte?)  
 Dott. ANTONIO CALVI (delegate to Berlin)  
 Avv. Giacomo INTUSANO (liberal leader in Milan)

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MARIO MELI  
 MARIO MELI  
 GIOVANNI  
 GIOVANNI  
 GIOVANNI (L.R.)  
 GIOVANNI (L.R.) (representative of party and banks Lt.)

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- 4 -

NOTES ON COMITATO AND PARTIES

a. Estimates of strength in Rome alone vary from 50,000 to 400,000 as the figure for the adherents which are represented by the six parties of the COMITATO. It is impossible to judge, particularly as in Rome the population may unite in action directed by the COMITATO without necessarily sharing its political views.

✓ b. The COMITATO has good liaison with its Northern Comitati (MILANO COMITATO mentioned as strong, also GENOVA). In the north resistance seems less political, one representative of the parties in Rome stating that bands in the North were very well organized, and the parties less so. There are only five parties in the Northern Comitati (no Democrazia del Lavoro).

✓ c. The political opinion of the ROME COMITATO is now difficult to appreciate, since the landing and retarded progress of the Allies have evidently changed the situation. A monarchist coming from ROME stated that these six parties are tremendously influential in ROME and the North. He also stated that they were against the present King, but would accept the Badoglio Government temporarily, and he stated emphatically that monarchist parties in the North (as political groups) were non-existent.

✓ d. A summary of opinions and recent information from both the Italian Government and local political representatives indicates important political strife in ROME today. One opinion is that the COMITATO is believed to have lost its former unity. The three strongest parties (and the only ones with important military elements - the Demo-Christian groups are either communist controlled or controlled direct by the BADOGLIO Government) are the Communists, Socialists and Partito d'Azione, they have declared themselves absolutely unwilling to accept the present government or their representatives in ROME. BONOMI and the three lesser parties are attempting to have a union of all forces. This opinion is being energetically forwarded by the present Italian Government and would be suspicious except that it is confirmed by other sources. On the other hand there are very recent indications that BONOMI has sided with the larger parties

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(locally under his presidency) and only the Demo-Christians (who in Southern Italy have undoubtedly a secret agreement with the Prince, if not the King) still stand for unity with CADOGNIO's representatives. A discussion of the DEMITATO's relationship to the CADOGNIO elements will be made in Part IV.

e. The Communists, Socialists and Partito d'Azione are, at least in ROME, the best organized and strongest of all groups. The Communists have the greatest security (due to their cell type organization) and have the only military experience in irregular warfare. The Socialists are the most popular party in Northern Italy. The Partito d'Azione has the reputation for having intellectual leadership and, judging from documents collected, does the greatest amount of printed propaganda, both political and patriotic.

f. Of the three smaller parties, the Demo-Christians are the strongest. They are presently backed by the Church and have the approval, if not the active membership, of many middle-class church goers. Although the ROME head of the Demo-Christians, and the Church, are opposed to the present King, local representatives of this party claim that most of their adherents would prefer that Victor Emmanuel remain in office until the end of the war in Europe. The Italian government say the Liberal Party and the Democrazia del Lavoro will accept the King in ROME. This is improbable in view of the public statements of GROCE and CERABONA, who probably have more influence in the North than they do in Naples. The ROME representative of the Liberal Party also reflects that opinion.

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**SECRET****PART TWO**~~REF ID: A6541~~

given the Armistice was signed and the Badoglio government knew they would have to leave Rome, hasty plans were made to leave behind some sort of military government to represent the official Italian Government. This group was entrusted with several responsibilities. One, to hide all the documents from the Germans; two, to defend ROMA until the Allies came in hand (Badoglio stated to underlined that the invasion came two weeks too soon, before his Staff had time to prepare a defense against the Germans); three, to assist in underground resistance if Allies failed to come in time within a short time; and four, to maintain civil order. These last two obligations were clarified and stressed very clearly.

It is important to review the now well-known circumstances preceding and immediately following the armistice. However, it is important to bear in mind that the events of the 8th and 9th September and subsequently are completely different from the picture of the Italian Government. We have heard on Badoglio by the Allies fully account for the complete confusion which actually took place. It is now evident that there have been three layers of planning:

The Italian Government, believed that the Allied advance would be swift. They also were told by none other than Allied authority that, temporarily, at least, they must remain the civilian authorities. The premature - from Badoglio's point of view - invasion and the harsh armistice prevented the Government from organizing resistance in Italy. It was called to ensure the adherence of the Italian Army, both Army and Air Corps. It is believed (Badoglio) that "fifth column" knowledge of the Italian Government caused the issuance of false orders. It is also said to have been for the failure of many of the Italian units to resist the Germans. Events of this phase are now well recorded.

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b. The second phase came after the Allies' entry into Naples. The anti-monarchical character of Neapolitan resistance and political activity; the lack of genuine separation from the ACC and ANC; the almost impossible administrative difficulties caused by the war; all of these brought about a laxitude in the official attitude towards resistance in occupied Italy. Both Deodato and the ~~resistance~~ physically tired and discouraged, and anxious of personal attacks from both Northern and Southern Italy, made their unsuccessful requests to the King and Roosevelt for authority to abdicate. The efforts of the Comando Supremo towards organizing the wars had a completely non-political and least divisive character.

c. The third phase is the present one. The government constantly receives unofficial, but highly placed, advice that the United Nations will follow a moderate policy for fear of "communist" outbreaks during the period of military activity in Italy. In the volatile atmosphere of Southern Italy popular opinion seems to change quickly from one extreme to another, and monarchist parties are regaining strength. The open support of the principale civilian military leaders, the retentions by the Allies of men and units loyal to the present King, (such as Garibaldi), and the recent transfer of most of Southern Italy to Italian "control" have all heartened the King and ~~the~~ to a belief that the present government, or one selected by it, will rule Italy after the war. This current phase is marked by a tremendous effort towards monarchist control in ROMA.

#### **ORGANIZATION OF RADIO "X".**

The Montefiore group as of the 1st of the year was headed by the Colonel MONTEFIORO whose organizational ability, rather than position, made him the recognized head of the resistance movement. He had five agents now, all women who were not men and women left behind the government, but simply patriots. MONTEFIORO was in liaison with the COMITATO and apparently had close relations with them. He was caught a few weeks ago and evidently forced to reveal information of considerable value.

As of the early numbers of the official

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Organisations were SIM members, or in the service of  
SIM. These men concentrated on the administrative, political  
and military liaison and.

#### Organization of military section.

General ANSELMI, head for ROMA

General AGARDI, head for North Italy (?) (SIM)

General CARONI, ex-head for ROMA, now in  
disgrace (see point III) (SIM)

General (?) TOSASI

Colonel MUOTRO, head of Granatieri, shot in Nov.  
Major SANTINI, (SIM Aeronautica)

Colonel TONNABINI, resistance group

Major JANNINI, Antonio "

Captain NIANI, "

TAVARINA, Police Chief for ROMA under Pasolini,  
now arrested by the Germans.

The military section organized among  
a) clients of military units, b) disbanded police units  
(Baldassari, Ironati), and c) police units working  
for fascists who would be counted on at the last minute,  
etc., Guastalla (Pinasca, Metropolitana). These groups  
in ROMA were numbered a potential of at least 10,000 men  
armed. Most of those men received regular wages from  
the Badoglio Government.

Outside of ROMA winter, lack of food, and  
conflicting political views have cut down the Badoglio-  
ist military units to a point where they are no longer  
very significant.

The arrest of CONTENUTO and the recent  
especially measures in ROMA (many of the police units  
located in or support have been moved North and replaced  
by MILITA and GUARDIA DI FINANZA) have weakened this  
military organization. Certainly, several of their ROMA  
units are out. The control of SIM in the organization  
and the control of Badoglio in the city has lessened.

The Italian Government are taking steps to  
strengthen their position.

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a. BADOGLIO has informed the Allies officially that AMELLI will be Italian Military Commander for ROMA during the Interim period and Senator MOTTA will be Civil Chief.

b. SIS are sending in a group to reorganize and perhaps also to do the counter-intelligence necessary to compare proposed plans of the COMINTO. This group may include Col. ACRIPOGLIO, Major GAGETTO and Com. PONZO (last two brought cipher from ROMA on different trips in early days). This proposed move emphasizes the importance of the government of the situation in ROMA.

c. Contact is being made and money given to semi-national groups. These groups previously were not well organized, but an effort is being made to have pro-Badoglio sections among the political parties as there are now in Northern Italy. (see below Para. 7)

d. AMELLI and MOTTA are being directed to order CATTATO to cease all political activity and recognize their authority.

e. A tremendous campaign is being directed at Allied parties. ACC, ANI and even military units are being warned constantly that the failure to order political groups in Italy to recognize BADOGLIO authority will result in a revolt dangerous to Allied military security.

Following are some of the men engaged in political activity in ROMA.

Avv. CERRAO, Palazzo CASTANI, probably the richest and most influential.

MICIA, Giovanni, Via Appennino 41

Avv. LATHARCA, Via 3. Bebasciacello 1

Cott. MARINUCCI, Vinicio, Via Cardinal del Duca 22

Montegni VICINI, Fausto, conte San Biagio

General URBANI is alleged to be head of a group. He is reportedly local monarchists, but may be true. He is in the 1st Corps and is pro-Fascist and pro-German. He is alleged to be propagandizing for Victor Emmanuel.

Avv. G. TOAST (?) alleged to be for grand-non, son of ...

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Professor Don GIORGIO, Working with  
monarchical bands and according to a member of ROME  
SOC. ITALC, refuses to collaborate with non-monarchical  
elements.

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~~SECRET~~~~242 PAGES REMAINING~~~~ALL INFORMATION CONTAINED~~

In a military sense no smaller organizations are significant. The majority of groups in ROMA and North Italy began, inspired only by a hatred of the Germans. Particularly in the North these groups, workers, Army veterans, and farmers, have retained to a large extent a non-political attitude. Their leaders, however, the men from whom they will take orders because it is from them or through them they receive supplies, organization and money, are almost all political. It is important, therefore, to realize that, though many bands in the North give themselves one name or another, they will follow the leadership of one of the large groups outlined in Parts ONE and TWO. The information given below will be useful for making contacts, but is not significant in any estimate of the nature of Italian resistance to the Germans.

#### THE CATHOLIC CHURCH

Vatican and Church-led groups are the most important of these smaller groups. Church groups are to be considered as distinct from the Partito Demo-Cristiano.

##### a. The Church politically

The Vatican is a neutral State and is anxious to preserve that neutrality for religious and political reasons. The Vatican cannot afford to alienate Catholic groups in the pro-Axis countries, nor can it run the risk of giving the Germans the diplomatic excuse to enter Italy. Consequently, overt activity in favor of any side, or any party in Italy, is impossible. The Church reluctantly embraces the Demo-Christian party and the clerical members of the Monarchical parties, but cannot afford to be seen to be an endorsement of either. One is, after all, friendly to a purely political COMITATO which includes communists, the other supports a Masonic royal house, whose position is not secure.

Politically, the Vatican insists on its neutrality. Actually, the Church in Italy is actively persecuted.

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We realized that, while the Italian people are not yet fully aware of it, they do follow the leadership of one of the large groups outlined in Parts ONE and TWO. The information given below will be useful for making contacts, but is not significant in my estimate of the chance of Italian resistance to the Germans.

#### ~~THE CATHOLIC CHURCH~~

Vatican and Church-led groups are the most important of these smaller groups. Church groups are considered as distinct from the Partito Democristiano.

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- 2 -

#### b. The Church's pro-Allied activity

Committed morally to oppose much that is un-Christian in Nazism the Church has always been eager to oppose the Axis, if, in doing so, it does not lose the adherence of a large section of its international congregation. Evidently, Allied diplomacy and particularly the visit of Spellmann convinced the Vatican that support of Italian resistance against the Germans was imperative. The system of clandestine intelligence and propaganda so effective in Germany and Poland began in Italy. Today the majority of the clergy in German-occupied Italy work in some way with resistance organizations.

#### c. Organization of Vatican Resistance

To date no armed resistance groups have been financed by or organized by the Church. Their service has been intelligence and cover only. For example:

The Palatine Guards in the Vatican City were 400 in number at the beginning of September and in December were 500 strong. (Source: agent).

A colored American officer in hiding in ROME had to escape when the district he was in was to be searched house by house. The Vatican Ethiopian Legation, twenty strong, visited that house; After the visit twenty-one black legatus re-entered the safety of the Vatican City. (Source: agent).

Consiglier MAGLIONE, Papal Secretary of State officially informed the Allies that the Father Superior of a certain Church abbey was pro-Fascist and dangerous. This is, of course, the temporal voice of the Church in Rome, a neutral state breaking its neutrality. It is on this type of dual logic that the Church today can act, as it has, everyone from anarchists to monarchists. Cardinale, others, Jews, Italian officers, Badoglio's son, Povinc, communist leader, the Partito d'Azione and Merletti Irrabaldi have all found haven and guidance in the church and convent network through North Italy. (Source: messenger from ROMA).

d. The above examples are to demonstrate that, generally, the Vatican is a sure source of aid in fighting the Germans. The Vatican's policy political has probably not been formed, and certainly not demonstrated. To define its political policy with regard to post-war Italy is of no interest to operations with resistance groups today.

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**SECRET****3. SMALL POLITICAL GROUPS**

The small political groups outside of the  
CLIQUE are difficult to define as their organization is  
poor and frequently change their names.

a. There is evidently an orthodox branch of the  
COMMUNISTS. The MOVIMENTO COMUNISTA D'ITALIA seems to be  
Trottskyist. The publication is the "Bandiera Rossa" and  
the propaganda is not pro Stalin Russia, rather pro-Lenin.  
Other names for possibly the same group are Partito  
Socialista Rivoluzionario, and Trotzkisti Socialisti  
(latter probably a popularization). Their leader appears  
to be the son of MATTEOTTI.

b. Another so-called Communist group is the  
MOVIMENTO DEI CATTOLICI COMUNISTI, in reality a violent  
Trottskyist group. The combination of names is designed  
to win the support of both church and workers, but, so far,  
the party is weak. Avvocato RODANO is alleged to be the  
leader.

c. The CRISTIANI SOCIALISTI is another group  
designed to appeal to both middle and lower classes. It  
may possibly appeal to Italian Protestants. Prof. BRUNI  
is the head. It is weaker still than the Cattolici  
comunisti.

d. The PARTITO REPUBLICANO INDEPENDENTE led by  
the Dr. CONTI is still small. It may have some connection  
with MAZZINI inspired groups. (see CARBONARI below)

**3. SMALL NON-POLITICAL GROUPS**

There are numerous bands of "patriots" composed  
of soldiers and peasants who fight locally, without control  
by any larger organization. These groups are generally  
apolitical or the Bedaglie or political elements, although  
they frequently adopt "socialisti" and "comunisti" as  
their titles. Usually, to maintain any considerable  
power they must ally with the larger groups.

Two organized fighting groups are the CARBONARI  
and CARABINIERI. The first are MAZZINI Republicans and have  
a strong elevation. It is, therefore, almost impossible

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to discuss them, except to say that escaping ITALIA  
encounter many mountain groups which are called "Carbonari".  
The "Carbonari" are either local groups who have taken  
the name because of its connotation or groups organised  
by PATTINO and RICCIOTTA CARBONARI. These groups, as yet,  
do not appear to be numerous or strong. Politically both  
CARBONARI and CARBONARINI are anti-monarchical.

Italian MASONS, which is in contact with  
American, British and French Masons in Naples, seem to have  
maintained some sort of organisation throughout Italy. At  
present, however, it is evident that they are only in a  
position to help existing resistance elements or Allied  
operations in a small way. Safe addresses and certainly  
financial assistance would be the form of such assistance.  
Politically, the Masons in Italy are temporarily stumped.  
Fascist and feel very uncomfortable supporting a Government  
which they feel is not whole-heartedly anti-Fascist. The  
Masons have declared themselves no longer clandestine in  
Allied-occupied territory, but have not yet made any  
statements of policy.

\* \* \*

**SECRET****PART FOUR****OPERATIONAL OPPORTUNITIES**

1. Irregular military operations in Northern Italy will soon be possible on a large scale. Unlike the divisions of partisan forces found in Yugoslavia and Greece, resistance groups in Northern Italy are at present relatively united.

2. There is great collaboration among the various military and political groups in the North. The example of the regular Army hiding in the mountains, fed and informed by socialist or communist workers, and financed by industrialists is an encouraging one. At present, Allied Special Operations agencies can work freely with Communist and Badoglio Groups, knowing that resistance organizations will work together.

3. Another advantage is the efficient Church organization and the willingness of the Church to collaborate. Other potential chains for cover and intelligence are labor unions, which are still weak, and the Freemasons.

4. This state of opportunity will not necessarily last. From the most reliable reports, it is apparent that the Italians place great importance on the decisions to be taken when the Allies arrive in ROM. Government sources seem alarmed over the alleged threat of armed opposition to their authorities in ROM. Some of the political parties have indicated that under present circumstances such a threat is real. Others deprecate such reports as exaggerations originating in the excited atmosphere of Naples and propagated with political intention. The most common theme, both in the defensive Government attitude and the attacks by the parties, is the abdication of the present King. One side argues that the abdication in these times would cause more disunion, the other side claims that, unless the King does abdicate, Italian resistance to the Germans will never be important.

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5. Whichever decision is made by the Allies and whatever is the reaction of the Italians, the political future should be understood by Allied armies, particularly by OSS. At present, too few Americans are willing to admit the importance of politics in relation to irregular military activity. Of those that see this importance, the majority report and act with political bias. Operations based on a lack of information or misinformation could conceivably harm the Allied effort. This possibility should encourage vigorous but unbiased investigation of Italian political activity.

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**APPENDIX**

1. General CARBONI. It is reported that he has come out of hiding and is organizing a group. One source reports he has joined LONGO of the Communists, another source that that he has formed a separate group.
2. A General SAROCHI (SOROCHI ?) is reported forming another group apart from either COMITATO or BADOGLIO.
3. According to reliable information 18 February, General BENCIVENGA has been recognized by all parties, including ARMELLINI, as the military head of ROME. This, if true, is very significant, for it would mean that ROME was united politically as well, perhaps against the entry of Victor Emmanuel.

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OSO SPAC. INT. C-2  
HEADQUARTERS  
FIFTH ARMY

2 February 1944

REMARKS : Enclosure No. 1

TO : Director Strategic Services

1. Attached documents are from British 10 Corps with 5th Army. Document "Naples and Italian Politics" is from the 10 Corps Intelligence Summary 199 and is an official statement.
2. Document Anglo-Italian Relations was written by British officers assigned to 10 Corps Intelligence Section. This document is entirely unofficial, and was circulated only as the expression of the private opinion of contributing officers. It was particularly requested that no publicity be given the report which would hurt the position of the officers who wrote it.

MAULIN W. O'LEARY  
2nd Lt. AUS  
Intelligence Officer



NAPLES AND ITALIAN POLITICS

The social situation in Southern Italy is now falling into what may be called lines. The ageing Nationalists propounding up monarchy and the almost a background of generals, prelates and mounting food prices. A revolution has just taken place after tea, because of the European War. The Congress of Vienna is never far away from the RADOGHIO government. The opposition parties are a little more advanced in period, but still before all parties under the spiritual guidance of the great Italian philosopher and historian BENEDETTI CROCE, practical and ideal and leader of a strong party of returning exiles is the Foreign Minister Count SFORZA. Under these two respected if rather rigid figures, the party followers are vital and unruly.

This hangs an atmosphere of the secrecy and conspiracies which have been forced to live in the last few years; they would do it again. Meanwhile in the North, a powerful unknown, the factory workers are veering, and will probably veer more and more towards the left. A Kerenskyish situation.

So far, or, if one ignores the Allied and German occupation, the influence of all native political parties purely relative.

The Popular Front (called in ITALY the National Front of Liberation) is well represented in the NAPLES area, and its organisation extends all over Italy. In contrast to the RADOGHIO government which opposes every kind of law at all, and no organised sympathisers outside, it was the Popular Front which ran the underground resistance, and the Communists and the Germans, organised strikes and sabotage, and sent their papers and posters all over the country.

The National Front is centralised in the National Committee of the People's Front, under whom are the Regional Committees, and the provinces of German, as well as Allied, occupied areas. These committees are made up of representatives of the various national front. The organisation so far is fair, but the local parties: it is when we come to the party

of the local nobility.

In each Province a Committee is formed, in order of the National Front Party, which is two-thirds monarchists: it is the first to have recently offered a seat in a projected cabinet to the King, and next, the 'lemon terrible' of the Committee, and the zone, is a clean, unruly and energetic: the Christian Socials, a public sometime, RODINO their leader is amiable and their programme strongly anti-King and RADOGHIO. So do the Communists and the Socialists. The importance of the Communists, BECAUSE of certain: they appear to be divided into

the Socialists and Italian National Communists, a local growth.

But the rank and file of the National Front is pretty important parties outside it, though there are the old Soldiers Association (i.e. - Ex-soldiers), linked to the Liberal Party, the Labour Group, and so on.

Now the monarchists in varying degrees though they would be prepared by a compromise in a majority with a representative of the King, and they have been manoeuvring during the last few months to get political life to them, that in their turn have tripped up by their own manoeuvres. So the King, in particular, induced by the Partito d'Azione, to issue a manifesto, which the RADOGHIO government accepted, in which he swore to the oath to the King, led the attempt to the extreme of forming their own private army, and the foundation of this attempt at direct military rule, and in the end there are behind the

/2A...../Committee . . .



3

are considered the Italians will inflict or beaten people  
 it to be fed, administered and herded into piles so that  
 us on behalf, the area of operations is reasonably fit  
 allied forces to fight in, then none of this matters. Given  
 people who have to conduct the administration the present  
 whatever its repercussions on the Italians, is the earliest  
 chances only appear undesirable if one wants the operational  
 of the Italians in the North, if one wants to avoid future  
 between the Italian people and the allied armies, if one is  
 about the state of Europe after the war, or if one has  
 anti-fascist feelings about the men, women and children unfortunate  
 live in his country. For our present policy not only  
 the Italians both here and in the North; it may lead to a  
 where, once the Germans are out of an area, the anti-fascists  
 a fair reason to co-operate with us and will actively  
 in order to gain the political power which we are denying  
 we appear to back Badoglio and the monarchy, or any other  
 regime, against Italian public feeling we shall in due  
 not only organised political opposition but individual  
 so that the Italians may symbolise their hatred of the  
 staying at the allied soldiers who they think support it.  
 military administration which takes no account of Italian  
 can do just what we intend to avoid; weaken the basis  
 nations.

There are two ways in which the Italians can fight the Germans.  
 an army, with its organisation, officers, and equipment at  
 the first available, can be put in the field again to fight  
 us or to act as muleteers, police, pioneers and general  
 us. Or the Italian civilians and disbanded soldiers in the  
 occupied areas can form partisan forces on the Jugoslav model.  
 the army in the field does not involve the encouragement  
 us to fight alongside us, only the giving of orders to  
 carry machine, but whether its contribution to our  
 any greater than it was to the Germans is  
 and the turning into an ally, especially an ineffectual  
 of whom we have just beaten is a me sure that our  
 way is undignified and silly. On the other hand  
 we are one worth following - the Jugoslavs at  
 as many Germans as does 15 Army Group - and  
 Italian fighting his Guerillas to free their country  
 is natural and admirable. But to secure the help  
 their lives as free agents, which is what this  
 is, giving them a strong inducement to fight and  
 it is the harder way, by making them feel that  
 the same. This is not possible if the  
 impression, from axis propaganda and from  
 the Germans, that by joining us to throw out the  
 the Germans by strengthening the Italian ex-Fascists  
 group will be their chief political enemies. It is  
 that the that they become disillusioned and incapable  
 fear that neither side's victory will help

In the active guerrilla movement in Italy it is necessary  
 anti-fascist parties to which the potential guerrillas  
 the allied should gain administrative power in the zone  
 us, that we should liberate the country from the  
 their own orders as well as from the Germans: the  
 the part will then feel that by attacking the Germans  
 to get the type of administration they want. This is  
 the first and has led them to expect, but the untruth of this  
 and absence of a land from us has caused them to be  
 inactive.

....These considerations

we could convince the Italian that mistakes had been made in his leadership and not part of our general policy. He would say that, however he had damaged the Italian position, we could still rally the people who he had alienated and would be prepared to bring a world wide movement into existence in driving out the Nazis. As potential guerrillas in the North would be glad to help it with us, and although the National temperament would make it difficult, the way would be open for us to organise and equip a partisan movement, strengthened by volunteers from the South. Being even now available in quantity whenever necessary, but losing all enthusiasm when we have been under fire for days. In the present stage of the Italian situation, guerilla activity could make every difference; and we could not find it easy to hold even the Po line if they had a guerilla force comparable to that of the Yugoslavs.

With the Italians, many of whom are already fighting alongside us sincerely, wholeheartedly on our side, we shall not only return to organise an army of patriots, bandits and demobilised ex-German L of C, but shall be able to play the part of a true patriot to the new Italian democracy. Our present policy is keeping civil order off the roads, but will lead the Italians of Europe to interpret our war against the Germans, Poles, etc., conducted largely at the expense of the people of Italy, and resulting as far as they are concerned in the establishment of German occupying troops, and the formation of a German-infiltrated government. Fortunately this has not been/gradually during the short period of our /in existence the condition of the government of Italy is still uncertain in the Italian parties confused. If we can succeed in bringing about changes in our policy must be done quickly. Even though the communists are not as important as the others, they are of considerable importance.

*Priority M*

21 November 1943

and volunteers the Italians are  
 either up to date or behind  
 the war of resistance. The  
 Italian forced to fight like  
 people who have no confidence  
 in their governments or  
 in the responsibilities of  
 their country appear undisciplined  
 and be italians in the north  
 between the straining south and the allied  
 about the state of alert after the last  
 but failures about the last  
 in the country. Few new political parties  
 in Italy both here and in the South in  
 order, among the Germans are out of the area, this will be  
 reason to reorganize with us and will actively  
 to fight the political power which we are dealing  
 to agree to face fascism and the monarchy or any other  
 than an Italian public rest we shall in due  
 time to crystallized political opposition but indirectly  
 the Italian symbolizes their hatred of the  
 action of the allied soldiers who they think support it  
 Hitler's administration which takes no account of Italian  
 just what we intend to avoid, wanted the basic  
 the war.

The ways in which the Italians can fight the Germans  
 its organization, officers, and equipment at  
 the moment, can be put in the field again to fight  
 the Italian, militia, police, pioneers and general  
 in the Italian civilians and disbanded soldiers in the  
 and the Italian partisan forces on the Yugoslav model  
 and in the field does not involve the encouragement  
 to fight on our side us, only the giving of orders to  
 the Italian, but whether its contribution to our  
 victory is greater than it was to the Germans is  
 another question, but on all, especially an intellectual  
 we are just beaten by a measure that our  
 country is not united and silly. On the other hand  
 the first, to our part following a the Jugoslavs at  
 the moment, and Germans as does 15 Army Group - and  
 the Italian, starting his guerrilla to free their country  
 under the threat of lights. But to secure the help  
 of the Italian free agents, which is what this  
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The effective guerrilla movement in Italy it is necessary  
 to organize which the potential facilities  
 the Italian, hold of administrative power in the zone  
 the Italian, only if not the country and the  
 the Italian, as far as the Germans  
 the Italian, and at this is the German  
 the Italian, administration they want. This is  
 the Italian, expect, but the result of this  
 the Italian, as far as he has caused the to be  
 the Italian, .

... These considerations

These considerations arise when the treatment of the Italians is viewed. Anything more than discussion or minimising immediate difficulties to the allies in this matter it has repercussions however not only on the rest of Italy, but on all Europe both immediately and for the future. The anti-Fascists who are the main opponents of the German Army in every country, will judge by our treatment of Italy how themselves are to react when we invade other European lands, whether it is worth throwing all their energy into the battle against the Germans or whether they should save some up for pro-Germans whom we are likely to keep in power. They will be more actively pro-Ally if they see the democratic parties getting a fair deal here and are able to believe that we are carrying out the promises of the Atlantic Charter and the Moscow Conference. And a Europe in which the peoples have genuinely been liberated by the allies, and are rebuilding their own countries, will be in far better place after the war than a continent where unpopular and corruptary governments are propped up by British and American forces of occupation. For these reasons any sign we now give of leniency to the Italians as a people who must be encouraged to get themselves out of the mess that their late government got them into will be most important. The Italians will continue to suffer for what they so obediently entered, but the individual, however much he may experience, will not be without hope, and if he helps himself to rebuild his villages and towns, and through them himself, he will be less likely to blame their condition on us, or on the nature of Italy's own responsibility.

We must try to put our relations with the Italians on such a footing as is necessary to tighten up discipline as regards looting and arson while possibly relaxing it in other respects, such as giving priority to elderly or pregnant refugees: this would help to lessen differences between our behaviour and that of the Germans. In these ways is so noticeably better than ours as to make a lasting impression on the Italians. The main need is to show them that we truly mean to liberate them. We must remove former fascist and pro-Fascist administrators, who under Mussolini after his fall ran not only the state but all the local government. In each place that we take over the existing officials would be replaced by locally elected or locally appointed members of the opposition parties: this need not be difficult as former officials' local knowledge and administrative control would have to be with the Germans, which is some form of organisation in almost every village. Military government representatives, instead of openly antagonising the power of the existing officials and anti-Fascist organisations, would appear to be the friends of the Italians' attempt to reorganise their own lives. Prisoners could not only have to be released from prison and rehabilitated, and our propaganda would have the relatively thankless task of exaggerating our new programme instead of as present depicting the terrible things the Italians do not believe.

This will entail a reversal of the policy laid down; in fact, the Italian claim to be doing. The difference would be that we claim to carry through a liberal policy. Not only would directives have to be issued by the heads of the military administration, but this would need to be strongly enforced against the administration's employees, whose instincts are to go on taking up the threads of government where the fascist party dropped them. Those responsible for the arrest at Torre Annunziata, where an anti-Fascist mayor was fined for having a soviet flag in his office, should be tried, as at Arcaniase, where the mayor was under pressure from Mussolini and put him in jail for subversive activities, sent back to the army units from which they came.

.....Once we could

The present situation is a continuation of the one  
 in which we have been engaged since the beginning of the  
 war, and that is, to keep the country in a state of  
 semi-anarchy. We have to do this because the  
 Germans are here, and we have to keep the  
 government. This they have to do no matter what  
 we do. They are satisfied with us, but they are not  
 satisfied with the Italian government, and the Italian  
 government has no leadership and does not have an  
 independent will. They are and would be the Germans will find them  
 as they are in the South. These anti-fascists is the  
 continuation of their Krupped country while we push the Germans  
 out of Italy. These two are linked both by sympathy and by  
 desire. The militants in the North are the political dissidents in  
 the South, but under German rule, they fight to get rid of it not  
 because they want an allied victory for the benefit of the world at  
 large, but because they want to join their countrymen in the South in  
 fighting Italy. Their political organizations are similar, and  
 similar to those in the South. That neither group wishes to fight the  
 Germans we fight, and both have the same reactions to what they  
 do as our shortcomings.

A lot free that discontent with the speed of our advance and  
 general misery and anxiety consequent on the War and the presence  
 of our allies, one disciplinarily brutal and the other amably ill-  
 used, the Italians are surprised and upset by our administration.  
 Acting on our propaganda broadcasts, which presumably appear  
 because the news they give is so much less unlikely than that  
 spread by the Germans, they expected that we would come to them  
 as friends, fulfilling all the premises of the Atlantic Charter and  
 as in our own propaganda slogan. But military government is  
 not conducted by ideologists, (which means people who fight  
 as they believe, not merely because they are made to), or even  
 pretty abused now under almost any administration. The  
 most resentful of our rule not only for these, but because we  
 remain in the democracy we promised Italy and seem to bear  
 still in the Fascists. We came to the country with a lot of  
 anti-fascist, anti-Fascists, since when we have shown no sign  
 of letting the anti-Fascists to administer the country and have  
 been no enthusiasm about letting them out of the Jalla into  
 power in them. This has naturally depressed the members of  
 the anti-front, and because the front extends throughout  
 and an occupied Italy the depression spreads from top to toe.

It is our cannot understand why we do this. The average  
 administrator, however, is not much interested in Fascism or  
 Italy, regards his village or province as a more or less isolated  
 part of an Italian state, and would rather deal with  
 it as it exists. He has knowledge and experience that with  
 little effort can be on the side of light, but we are performing  
 little effort and as administrators amateurish. In an  
 village that would not much matter, but alive it is a universal  
 fact that the Italians like an Anglo-American move to keep  
 it in power. Worse still, it looks this way to outsiders like  
 us, particularly when accompanied by the conduct of anyone  
 in politically subversive that is characteristic of the  
 front for whom "null verbiage" conveys undermining, of the British

only this happened in North Africa, where the maintaining in  
 place of an administrator had an extraordinarily dampening effect  
 on the anti-fascists. So such a method of government, while the  
 Italia is the corrupted zone remain our Allies against the Germans,  
 either or well as the anti-Fascists in our own territory, with  
 the Italian, lose heart, and very probably weaken their foreign  
 participation in indifference.

NOV 20 1943  
GRADUATING  
FEB 1944

5 February 1944

Subject: Enclosure No. 1 Supplement

To : Director Strategic Services

1. Since the attached document has just been received  
as a supplement to Enclosure No. 1 requested by Director OSS,  
it is being forwarded directly, rather than through R & S.  
This second report on "Naples and Italian Politics" is also  
from 10 Corps, 2 February, and is an official report of  
their G-2.

2. The report is prejudiced and often inaccurate, but  
describes the general liberal trend which most British units  
see in Italy. The report is more pessimistic than the  
earlier one (over two months have elapsed) and reflects a  
disgust for Italians which makes it difficult for the  
Director to analyze the political situation intelligently.  
An illustration of this is the presentation of Fascism as  
having "absorbed all the talent" of the country. This  
placing of Fascism over all potential parties is accompanied  
by section of the peoples' reaction to the retention of  
Fascist officials and a moral criticism of Fascism.

3. This dark picture is so bitterly expressed that  
it becomes simply anti-Italian. The contact of 10 Corps  
with the Italian civilians in combat areas (always a  
big, big headache) have caused the impatience with Italians  
in general and with ANG. The geographical separation of  
the 10 Corps HQ from political activities accounts for the  
prejudices (such as referring to the "five" instead of  
six members in the Committee).

*Malcolm W. Callahan*  
MALCOLM W. CALLAHAN  
2nd Lt. AUS  
Intelligence Officer  


NETS AND TELLING THEM

Historically the Neapolitans have never had such a time since CARLO ALBERICO DI SAVOIA (1668) established the city of Naples with Italy from Palermo. DI SAVOIA was a general, the convolte, now round behind his armchair Father, in a decorated room. These philosophical and literary schools were among the best in Italy (NAPOLI is a pupil of CARLO ALBERICO), but, through centuries of foreign invasions between the 12th and early 18th centuries the Neapolitanas had lost all native interest in politics and concentrated on their stomachs and their art. What I want to tell you by the German style is to do and to create. write. but is it possible in Italy? It would carry still longer in this school of a happy life. After the 19th century the Neapolitanas submit best under orders like those of national unity.

The city now rises with patriotic activity. The five parties of the National Committee of Liberators and their subdivisions, Count SAVOIA tours the provinces, great popular signs in all provinces pour out articles and posters, the footer magazine of the University of Naples publishes strict demonstrations and begin any day. As far as I can tell, not much and without a country, all this activity is magnetic and the foundation begins of the King; without this, says the American, no real regeneration is possible.

But even this country is no longer unoccupied. The purpose of the National Committee is to end the nation's enemies in the name of a fully organized popular party, the "Party of Unity", saving the shield of Italy and armed with weapons, present the people with a complete party organization in the shape of the Army. This was recently done by the down Province's first visit to Sicily in the name of the King, to be followed by the motto: "the King again in the name of the people". The King's members of Villa Roseberry count 11,000,000,000 with prominent pending member, Mr. G. M. A. B. Bury, who has been the most outstanding member of the party. In the Sicilian Islands, the party has infiltrated into the administration, in Palermo, Messina, Catania, Syracuse, Trapani, Cefalu, and the like, and the Sicilian people are watching closely. The King has a mandate, that is to say, the motto of the "King and Country", and the Sicilians, particularly the cities of Palermo, Catania, and Cefalu, are leading to the Committee, and hence dangerous in population, because the movement of citizens to the Army is not registered. The King's motto is the King of Sicily, and he has now been installed on all military authorities, to whom he has given absolute command. This is a strong basis for the King's party, though the King remains.

The Committee, as of the party, is being built around the King and General, now known as General of the Sicilian Division. The King's supporters are the Sicilians, who are prepared to fight with honor and armed supporters to enforce the King's cause and the King's action. The definite conception of redemption is the restoration of the Sicilian people's former one, as fulfilled by the splitting of the Sicilian party.

While the Sicilian party is perched securely with increasing bitterness about the present, it is not possible, in giving any place for the reconstruction of the country, to do so even when the idea of body to a coherent approach to the Sicilian party is present. The changes with which Sicilian officials are concerned are to be made (and they are) in Sicily, particularly, the only place where the King's party is to be found. There are many problems in the Sicilian party, but they are not yet solved, but the King's party has the King's support and the King's cause, the King's party is to reconstruct Sicily, and the Sicilian party's motto is to be implemented.

The King's party is to be built up in Sicily with the help of the Sicilians, and it is to be built up to be fully come up to people to people. The King's party is to be built up to be a people's party. The King's party is to be built up to be a people's party. The King's party is to be built up to be a people's party. The King's party is to be built up to be a people's party.

... members of the Third Reich had been killed and buried, and quickly, for a people who had long been taught to expect a swift and easy peace change quickly. Even the most ardent Nazis, a few days ago, would undoubtedly believe the Third Reich had to last forever, and eventually cleaned down when he put forward his vision of a Germany as a public service.

It however is the war to blame Hitler, but principally at its end. For the last four years, Hitler had been City in Hitler's eyes, and political power in Germany which he always symbolic of the German people. These days now, indeed, all of Hitler's ambition to most of the world's states and Hitler, a regime which has claimed almost all the talents of the country for so long has only left untouched either aged soldiers or younger men, who, if reasonably intelligent, have had no opportunity of acquiring political knowledge and experience. In contrast many of the local Nazis appear very intelligent but from a general register, with all the railways running on time, has a place, in a position as well as a formal issue, Hitler's falls without difficulty and surprise at it.

OSS SECT. LOND. E-2

HEADQUARTERS

PLATE ONE

February 1954

SUBJECT : Enclosure No. 2

TO : Director Strategic Services

1. Attached documents are copies of reports prepared for and submitted to X-2 by an OSS Officer. This officer has agreed (with approval of Colonel RUTHERSHAN) to head the Section's Economic Sub-Section in ROME. He has requested that this position and the submitting of attached and future reports be kept as confidential as possible, both outside and inside OSS.

2. This officer was a very successful business man in Italy for twenty years. This qualifies him particularly well to discuss the economic situation here at present. It is also important to realize that prosperity under Fascism would tend to make a man much more lenient in his judgement of Mussolini and the King, and antagonistic to "uncontrolled" political and labor policies. Despite this reactionary prejudice, the economic analyses seem valid and important.

*Malcolm W. Callanan*  
MALCOLM W. CALLANAN  
2nd Lt. AUS  
Intelligence Officer



II. STATUS OF ITALIAN PRISONERS-OF-WAR, WORKERS AND SOLDIERS

In a recent discussion with the officials of the Piedmont Government, it was stated by Maresciallo Giovanni Messe (Combined Chief of staff): that there are 250,000 Italian workers in Germany who have been there since the start of the war; that Germany placed 410,000 Italian soldiers in concentration camps in France and the Balkans at the time of the Italian armistice; and that, through the intense propaganda program carried on by the Germans, from persuasion or by necessity or fear, 200,000 soldier-prisoners had been put to work in Germany. He estimated that 500,000 Italian prisoners were in the hands of the Allies.

According to General Gatta, the Military Commander of Piedmont, there are still 830,000 Italian troops in Sicily. Altogether there are 1,300,000 soldiers and laborers for whom jobs must be found when they are returned to Italy. Of this number, Maresciallo Messe estimates that 600,000 are factory workers, and the balance artisans, farmers, employees and professional men.

Regarding soldiers still in uniform in the liberated part of Italy and Sicily, this figure is believed to be between 250,000 and 300,000 troops. In the part of Italy occupied by the Germans, while reports differ, it appears that there are 50,000 Italian troops under the so-called Republican Government; the rest, through one means or another, have returned to civil life.

Maresciallo Messe stated that soldiers of all the classes from 1904 to 1912, inclusive, have been discharged if their bases were in Sicily, Calabria, or Apulia. Also, soldiers of these same classes whose bases are in the German-occu-

- 2 -

rest part of Italy are also discharged when they can produce documentary evidence that they have employment.

To facilitate the revival of agriculture, soldiers of the classes from 1912 to 1920, inclusive, whose homes are in Sicily, Calabria or Apulia, receive a three-months' leave to work in the olive-oil and citrus-fruits industries. Extensions of 3 months can be had without difficulty, at the end of that period; and still further extensions are granted, provided the soldier still has employment. Those soldiers of the 1913 to 1920 classes, inclusive, whose homes are situated in the German-Occupied section, are given a leave of absence in the same manner, when they produce documentary evidence that they have employment. A great number of them are employed in clearing away the debris, and in reconstruction. Moreciello Messe said: The idea of His Excellency (Badoglio) is to help coordinate the needs of Italian economy with the needs of the Allied Forces in docks and ports, etc.

To return to the 230,000 soldiers still in Sardinia, Moreciello Messe stated that ships were especially needed to bring back those whose homes are located in the liberated territory, in order that they can be rehabilitated. In this way, the machinery will be free to take care of soldiers of other sections, as fast as those sections are cleared of the Germans.

In view of the systematic, wholesale destruction by the Germans, the work of reconstruction will furnish employment for a long time to come to all able-bodied men not needed in other fields.

Twelve years ago, America restricted emigration. For many years, the remittances which Italy received from America amounted to \$110,000,000 yearly. Also, tourist-trade balanced the deficit in trade each year, as Italy always imported twice as much as she exported. Italy's exports will never equal her import needs. Due to the dense population, the standard of living in Italy will always remain on a low scale. Any attempt to raise wages above the average scale prevailing before the war, with the resulting increase in cost of food and clothing, will meet with disaster. There are too many people for each job. Italy will not see a higher standard of living than that of 1936, -37, -38, -39, for several years, at least.

Italy needs a strong government for two years after the war ends. This government should be military, so that reconstruction and re-adjustment can be accomplished. Italy should keep the Monarchy; otherwise, when the people have been fed and enter a period of tranquillity, they will regret the loss of the Monarchy. The attempt to institute a republic at any time less than two years after the end of the war can only result in chaos. There would be a dozen different parties springing up, all fighting each other, as was the case in France during 1937, -38, -39; and in the end nothing constructive would be accomplished. Italy needs a king. You cannot change the customs, habits and mentality of a country without being patient over a generation or two.

Italy needs peace and order and help.

First of all, Italy needs transportation to bring food to the cities from the interior of the country and from the islands, and more food from America to break down the black market on essentials and bring prices down to a lower level. The provincial and communal government must be turned back to the Italians, since they know best, from long years of experience, what is best for them.

We Americans must study promptly Italy's needs in raw materials, and see that she gets them just as soon as factories can be put in order. A survey of factories should be made, to reveal the requirements for putting them back in running order. Where machines are needed, they must be supplied. Every setel must be allotted to foundries and factories making farm implements, especially hand tools, and for

of American companies in Italy, and the Italian Government is to be asked to do the same. This would be a good beginning, but it must be followed by a long series of steps. The first step is to have the Italian Government issue a decree authorizing the Italian Central Bank to loan to the Italian Government up to \$500,000,000. This would be a loan to the Italian Government, and the Italian Government would be responsible for the repayment of the loan. This would be a good beginning, but it must be followed by a long series of steps. The first step is to have the Italian Government issue a decree authorizing the Italian Central Bank to loan to the Italian Government up to \$500,000,000. This would be a good beginning, but it must be followed by a long series of steps.

Italy needs a long-term loan of \$5,000,000,000 for 50 years, at interest of 5% or less. The needs short-term loans for raw materials. Italy's export trade must be stimulated and received by every means. Prices must be lowered and this will require a long study on the part of both America and Italy as to production, exports, exchange, etc.

The lire must be strengthened and put on a free exchange gold basis of not more than 30 and preferably 22.5% to the dollar. The sooner the adjustment of the exchange rate can be made, the better. Then effort should be made in the outset of a fair rate of exchange, together with loans and other helps, it would be possible by bidding a hopeful-alarmist program before the people and making a formidable appeal, to induce the civilians to give up gold and foreign securities and receive in exchange government certificates to the value of \$50,000,000. A carefully organized program in America for a purse to help Italy would bring in another \$80,000,000. A loan company could be organized among Americans to loan money to individuals at 5% for the purpose of rebuilding houses. Temporary barracks for soldiers (like the temporary buildings in Washington) could be built in each city.

The day the war ends, a tourist program will be inaugurated. Until the reconstruction of hotels can be accomplished, these temporary houses could be turned over to Italy as hotels for the tourist-trade. The American tourist will want to see Italy before too much reconstruction has occurred, and he would enjoy living and eating in a rough way, thus imagining that he or she was living the life of a soldier. Liberty ships with soldier bunks could bring tourists on a round-trip basis. 750 tourists could be accommodated on each boat, in addition to the ship's cargo of 10,000 tons. In this way, I believe 200,000 Americans would visit Italy within the first year after the war, and this should bring into the country \$100,000,000, in addition to providing employment for a large amount of hotel, restaurant and transportation labor.

as soon as possible after Florence is liberated, expert buyers from the Department stores should visit pottery for earthenware products, and similar products which require a few months to manufacture before shipment can be made. This would employ a substantial amount of labor, and furnish exchange for a product which does not require the importation of raw materials.

Soldiers should be issued handbooks describing Italy's picture galleries and museums, and be encouraged to visit them. A certain number of Liberty ships should be sold or loaned to the Italian Government, to start Italy's merchant marine.

To organize a purse in America you need to have artists in liberated Italy working on posters, now. Americans were always trying to collect Italian war posters. Actually, a series of past Italian posters could be stamped and sold by the thousands in America. But new, appealing posters must be gotten out. The support of influential American business men must be enlisted, as well as that of our State and Treasury Departments. Italian films such as "Tosca", and all Italian films not devoted to propaganda, should be sent to America. Writers must be enlisted in the campaign. America must help Italy to get back on her feet.

There are many more constructive ideas that would help Italy if they were put into practice.

As an experienced American business man, I believe that Italy can be put back on a prosperous basis; but it will require the brains of real business men who are sincerely friendly to Italy - no professors or politicians.

I quote Dr. Jung (Finance Minister): "Come to the front, America, to bring brotherhood. Life is not worth living, with a war every 20 years."

## BLACK MARKET

The... for essential food and clothing is for  
longer than... and... hence, the Black Market. Today, on  
account of the... black markets exist in every part of the  
country, and since the most rigid control system only serves to  
retard their...  
.

In... fear of what the future will bring, for fear  
of starving... their families suffer, men steal and  
commit murder. We find that, in southern Italy, principally  
in Naples, etc., have the wealthier class hoarded food  
and clothing. Also the small shop keepers, the employees  
class, etc. Every family which has a few thousand lire  
in savings. The result has been that prices have reached fantat-  
ic heights... so that stocks have diminished the situation  
is... a delicate...  
.

... ration is the one great need. I had a two  
hour conference on Sunday with Guto Jung, Minister of Fi-  
nance, and Dr. Jung:

... must be worth more. There must be sufficient  
bread and... less these two questions are settled, there  
is no hope... to fight inflation. People steal, cheat  
and... something to eat. The people need 300g grams  
of bread per person per day. When they get that much, the  
problem is... solved. Rolling stock is the number two question.  
This is... number three question, or number two if they can  
immediately... rolling stock is put in order. At Margherita  
di Savoia, about 100 kilometers from Barletta in the province  
of Foggia, there are 250,000 tons of salt, and yet there is  
a lack of... salt. (More later on Dr. Jung.)

General Carter, military commandant of Sardinia, (born in Sardinia), stated that there were 5,200,000 animals in the goat and sheep class, 240,000 of which are lambs ready to be shipped to southern Italy for food, but so far their request for sheep has not been met. Also there were thousands of tons of cheese in Sardinia which could be shipped to Spain in exchange for sheep which Spain has available at a low price and which Italy greatly needs. Also in Sardinia there are substantial quantities of goat and sheep hides to be shipped out. He stated that Italy needs ships of small tonnage, even as low as 500 tons, to carry on commerce between the small ports of Sicily, Sardinia and the mainland. If these were made available, the food situation could be greatly alleviated. In this connection, I learned from Frank Montakert, personal secretary of Radoglio, that on December 3rd, the Italian government wrote to General Smith requesting that eighteen small Italian ships (listing the ships) be employed for the transportation of food from Africa to small Italian harbors. I understand this need is being studied, and the Italian Government is being asked to submit a survey showing specifically classes and quantities of food and materials to be carried, the ports of embarkation and ports of destination, since it is felt that the Allies can and can operate the ships and lines more efficiently than the Italian Government.

What is this problem should be decided one for the other quickly, so that a better distribution of the foods and materials that Italy has can be made, and surpluses from the islands can go to the congested centers.

It will appear that the greater percentage of the Italian population is trying to live off the allied armed forces in North Africa here. They use all of their natural

ability to get cigarettes, foodstuffs, and clothing, which they clandestinely sell to buy bread on the black market.

Last Sunday afternoon, I stood at the entrance to the San Carlo Theatre, awaiting some officers who had invited me to the concert. The weather was rainy and cold; Vesuvius was covered with snow, as were the hills around; several children, about the ages of six to ten years, were selling oranges. They were all rugged. Two were without stockings and shoes; one wore an old pair of men's shoes which he kept on by dragging his feet; others wore open summer sandals. This was not unusual, as one sees such conditions on every hand. The point that struck me was, when one held up an orange asking five lire for it. I was in the act of filling my pipe, and when I took out my scant package of tobacco, this seven year old boy dove his hand down in his bucket and held up five oranges for the package of tobacco. He had learned, even at his age, that anything from our P.D. would buy more bread than would three or four times its value in lire. It is a sad situation when young children not only suffer from hunger and cold and filth, but have to, through necessity, exacute the ingenuity of grownups, deprived of childhood as we know it to keep from starving.

Ten days ago, restaurants were declared out-of-bounds to members of the Armed Forces. Previously, they were crowded with soldiers. These restaurants paid high prices for their supplies, which are brought into Naples at a high transportation cost. The cost of the rent of a truck to go two hundred kilometers distance from Naples to buy food stuffs runs from L. 200 to L. 5,000 lire per trip.

It is often asked if the purchasing power of the armed forces represents a factor in the present price level; but now that all restaurants are out-of-bounds to members of the armed forces, their purchasing power can only be felt in the field of souvenirs which helps, rather hindres, the situation.

Dr. Landau, a director of the Bank of Uruguay, commented that a private soldier in the American Army purchased a watch that he, himself, could not afford, - the reason being that, since the soldier's monthly pay was based on dollars, and with the exchange rate of 500 lire to the dollar, the soldier actually received more lire per month than the bank director. This is, however, temporary. The vital point is the handling of the readjustment, and America must keep in mind that we are fighting to relieve suffering humanity and to re-establish free market trade, free exchange of goods, and free exchange throughout the world.

## BLACK MARKET LIRE

The present fixed exchange rate of the lire is the greatest preoccupation of the Italian Government. I have discussed this matter with Dr. Jung (Finance Minister), Sorezzatello Nessa (Combined Chief of Staff), and General Carta (Sardinia Command), as well as bankers and industrialists; and they are all emphatically of the opinion that to raise wages in order to meet the high cost of foods, or to try to place Italy on a higher standard of living than that of 1937-38-39, would be catastrophic. With 45,000,000 people crowded up in a place space the size of New Mexico, with by far the greater percent of them laborers, there too many for each job. The total production is too small for the population.

Italy has been confronted with this problem for years, and has met it very well with the wage scale of the years preceding the war, together with social insurance, sick benefits, old age pensions, employees long service indemnities, and notice periods indemnities.

One thing is certain:- Italy normally imports twice as much as she exports. It is difficult for anyone to understand the difference in standards and customs found in Italy from those of the U.S.A. Take the shops, for instance, and compare them with stores of the U. S. A. An American grocery store is divided into five separate stores in Italy. The American drug store is divided into nine stores. Tobacco is only sold in a State owned tobacco shop; newspapers and cigarettes sold only in their shop; perfumes and toilet waters in one perfume store; rubber-goods in a rubber-goods store; cameras in a camera and binocular shop; candies

in a candy shop; tea room and soft drinks in a bar; and so on. These millions of small shops represent a living for millions of families where every member of the family is employed. When one of these shops buys an American-made machine, say a scale, heating machine, typewriter, refrigerator or a cash register, it becomes an event because, on account of the standard of living in the U.S.A., the first cost is high, and when freight, duty, taxes, and selling expenses are added, the price of the machine often represents a year's net profits. No one can imagine a store in Italy buying one of these machines alone, on account of the lire being worth five times less. The cost of the machine becomes four or five times more.

We can not hope to sell American in Italy after the war unless, through long time loans and other helps, the lire can eventually be established on a basis close to that preceding the war.

Today the population of liberated Italy is afraid that the lire will have much less value than at present. Nothing should be done to change their minds. The amount of currency in circulation is insignificant, - too small to be of interest to our enemies -, and yet the black market rate goes from 600 lire to 300 lire to the dollar (other than a few small), and 101 to 100 lire for a yellow eagle dollar. The starting black market rate is from 600 to 750 lire gold seller for 100 lire per gram, and gold coins at 1000 lire or over.

It is assured that the allied Command is preoccupied about the amount of lire in circulation. It is known that the Germans are stamping lire in the only two printing offices that there are, (the one in Squillia (Foggia) and the other at ...). In other installations in Rome, the only paper mill

... giving bank notes and government securities to the  
U.S.A., located in German-occupied territory.

Dr. Jung is aware that the Germans are stopping lines  
so that the Germans can get no advantage whatsoever if  
they be strengthened.

It is reported that the Germans are socializing from  
northern Italy. No doubt in losing the war the Germans  
would like to foster Communism throughout Europe, to prove  
the world that they fought the war to protect Europe from  
Nazis but the Allies would not listen to them.

Dr. Jung stated that the Germans had destroyed not  
only every bridge on every highway and railroad, but that rails  
were destroyed at intervals of every five meters, to say  
nothing of their systematic destruction of factories, machines,