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The English Historical Review, Vol. 114, No. 455. (Feb., 1999), pp. 85-111.

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'The Party is Everywhere': The Italian Fascist Party in Economic Life, 1926-40*

HISTORICALLY and historiographically, the Italian Fascist Party or *Partito Nazionale Fascista* (PNF) has not recovered from Hitler's contemptuous indictment in September 1943 of a Fascism melting away like snow under the sun at the time of Mussolini's fall from power. The PNF's failure to defend the regime and resist the monarchist coup against Mussolini in July 1943 was and is taken as the sign of its inevitable and fatal decline, evident from the late 1920s, into a sclerotic, over-bureaucratized, undynamic institution which only superficially mobilized its four million members and perhaps six times as many Italians enrolled in organizations controlled by or linked to the Party. Its apparent inability to perform its mass mobilizing functions in the Fascist regime, presumably explains why historians have until recently been both indifferent to and dismissive of the Party's role. So far, there have only been three book-length treatments of the PNF, two in Italian and one in English.¹ Recently, after writing a series of articles on the PNF, which attempt to restore the historical significance of the single Party and its centrality to the realization of Fascism's totalitarian dreams, the Italian historian Emilio Gentile has published the first lengthy volume of what may well turn out to be the definitive history of the Fascist Party.² In common with Gentile's approach and with some of the more illuminating local studies on the Fascist regime,³ this article uses unpublished Party and state archive sources to attempt a reconstruction of the PNF's impact on the country's economic life, an area of the Party's activities which has not been covered fully before.⁴ It aims to give a sense of the concrete reality of the PNF's ubiquitous presence in Italian provincial

*The quotation comes from a display at the 1932 exhibition celebrating the tenth anniversary of Fascism's coming to power, in A[rchivio] C[entrale] dello S[tato], *M[ostra] della R[ivoluzione] F[ascista]*, busta 16, fascicolo 18, sottofascicolo 3, 'Sala del Partito. Opuscoli, giornali, foto'.

1. A. Gambino's impressionistic, lightweight and intuitive *Storia del PNF* (Milan, 1962); P. Pombeni's over-literal *Demagogia e tirannide. Uno studio sulla forma-partito del fascismo* (Bologna, 1984); D. L. Germino's schematic and conceptual *The Italian Fascist Party in Power: A Study in Totalitarian Rule* (Minneapolis, 1959), which says what the Party was meant to have done, rather than what it actually did.

2. E. Gentile, *Storia del Partito Fascista, 1919-1922: movimento e milizia* (Bari, 1989). Most of his articles on the Party and some new material are now collected in E. Gentile, *La via italiana al totalitarismo. Il partito e lo stato nel regime fascista* (Rome, 1995). See also E. Gentile, 'The Problem of the Party in Italian Fascism', *Journal of Contemporary History*, xix (1984), 251-74, and 'Fascism in Italian Historiography: In Search of an Historical Identity', *ibid.*, xxi (1986), 179-208.

3. See, among others, the ground-breaking essay by E. Ragionieri, 'Il Partito Fascista. Appunti per una ricerca', *La Toscana nel regime fascista (1922-1939)* (Florence, 1971); M. Palla, *Firenze nel regime fascista (1929-1934)* (Florence, 1978); and the bibliographical survey and studies in 'I fascismi locali', *Italia Contemporanea*, clxxiv (1991), 387-477.

4. For the period up to 1929, see chs. 12 and 13 of A. Lyttelton, *The Seizure of Power: Fascism in Italy, 1919-1929* (London, 1973).

society from the formation of the Fascist regime in 1925–6 up to Italy's entry into the Second World War.

In the wake of the political crisis following the abduction and murder of the Socialist deputy Giacomo Matteotti in 1924, Mussolini finally broke with the parliamentary liberal system which he had gradually subverted since his appointment as Prime Minister in October 1922. A series of laws and decrees between 1925 and 1929 installed the one-party 'totalitarian' dictatorship, a highly centralized system of government which nominally placed the power and authority of the State above all groups, interests and organizations. These included the Fascist Party, whose reorganization and formal subordination to state authority is usually portrayed as Mussolini's 'victory' over the mass movement which helped to bring him to power;¹ and the Fascist syndicates or unions, which were legally recognized by the State as the exclusive representatives of workers, employers and so on, and incorporated into the regime's fledgling corporative order.

The corporative system was barely launched off the ground by these early Fascist measures. The 1926 syndical law allowed but did not compel the formation of corporations, which were idealized by sincere Fascist corporatists like Giuseppe Bottai, the junior minister of the new Ministry of Corporations, as single unitary bodies which represented and co-ordinated all those involved in production – employers, workers, technical and managerial staff – and organized and planned production in the various sectors of the economy. The experience of the Great Depression encouraged further corporative experimentation in the late 1920s and early 1930s, since it dramatically exposed the dysfunctionality and the social costs of *laissez-faire* capitalism across the world and allowed the regime to elevate Fascist corporatism as the non-communist alternative to the system in crisis. So, enacting provisions which had originally been made in 1926, the regime set up in 1930 the National Council of Corporations, which assembled employers' and workers' organizations covering the main areas of the economy and had them represented on an executive Central Corporative Committee. In 1934 twenty-two corporations were created for the productive cycles of the major sectors of industry, agriculture and services.

The Depression gave an immediate impetus to the extension of Party-directed 'capillary' organizations and agencies over wide areas of social and economic life, reaching out not only to groups which were either indifferent or hostile to the regime, such as the industrial working classes, but also to those previously untouched by Fascism or indeed by any kind of associational experience, including women and some sections of rural society. The regime was here clearly concerned to mitigate the effects on ordinary Italians of the economic depression of the late 1920s and early

1. See Lyttelton, *The Seizure of Power*, ch. 11; A. Aquarone, *L'organizzazione dello stato totalitario* (Turin, 1965), pp. 162–6.

1930s and so to stifle the potential for popular discontent. The PNF's expansion also sprang from a more profound and longer-term totalitarian 'logic' inherent in the establishment of the Fascist state system in the late 1920s. The Fascist State was not envisaged as the neutral guarantor of the individual's freedom of action, but as an interventionist 'ethical' force which interfered in every aspect of people's lives in order to re-educate and shape them to its own values and purposes. In 'fascistizing' the nation, the PNF delivered the nation to the State, a mission expressed in Party Secretary Achille Starace's absurdly ambitious goal of 'controlling every single individual and every square foot of territory'.¹

These concerns lay behind the PNF's takeover, co-ordination and delivery of social welfare through the *Enti Opere Assistenziali* or welfare agencies, set up at each provincial Party federation from 1931. For the next six years, the Party's provision of welfare took up the bulk of its fund-raising and organizational energies, and was perhaps the most potent way in which it gained access to areas and social groups hitherto outside its orbit. I have already written on this crucial aspect of the Fascist Party's action elsewhere,² and this article focuses rather on other facets of the Party's intervention in provincial economic life: a life supposedly being organized in accordance with Fascism's new corporative social and economic order.

'Do not be afraid of bureaucratizing yourselves' was Mussolini's injunction to the Party's provincial leaders as they embarked on the organization of Italian society,³ an imperative which the provincial Party was made to take seriously by the PNF's central organs. An efficient and functional administration of Party affairs was expected, even though regular central Party inspections sometimes revealed the opposite. The cavalier, arbitrary, untidy and highly personalized administrative style and practices of the provincial Party bosses of the early to mid-1920s gave way to the regular, fixed procedures of the modern organization, with the peripheral Party federations being required to report on and account for their every activity as a check that they were carrying out the literally daily stream of directives emanating from the central Party secretariat. In all this, there was the obvious danger that the bureaucratic chore of reporting the activity replaced the activity itself. But bureaucracy did not necessarily mean inaction or a slowing down of action. Although a highly centralized and hierarchical body, the Party did successfully re-structure itself in the early 1930s to facilitate closer and more immediate

1. Starace's report for the Feb. 1935 Grand Council meeting, in ACS, *S[egretaria] P[articolare] del D[uce], C[arteggio] R[iservato]* (1922–43), fasc. 242/R, b. 31, 'Gran Consiglio del Fascismo', sottofasc. 13, inserto A. See also Starace's valedictory report to his successor as Party Secretary, 3 Nov. 1939, which in its turgid and chilling detail outlined the 'totalitarian' functions of the PNF, in ACS, *SPDCR*, 242/R, b. 49, 'Starace', sottofasc. 1, 'Attività politica'.

2. P. Morgan, 'Italian Fascist Social Welfare Policy, 1927–37', *Tuttitalia*, iv (1991), 2–8.

3. Mussolini's final remarks to the provincial Party leaders of the Lazio region, one of a series of meetings in Feb. 1930, in ACS, *MRF*, Pt. 1, b. 9, 'Rapporto del Duce ai Segretari Federali (febb. 1930)', 'Lazio'.

contact with the populations of both town and country. Functions and personnel were to a large extent decentralized to neighbourhoods, the *gruppi rionali* or district groups, which were the territorial units into which the town and city *fasci* were divided. The *gruppi* duplicated the controls and functions of the town or city *fascio* at the level of the district, while the creation of administrative 'zones' did the same for the outlying areas of the province. *Gruppi* were then in turn told to set up *nuclei*, themselves subdivided into *settori*, even smaller units of territorial organization corresponding to groups of streets or individual streets.¹ This restructuring of Party organization was deliberately synchronized with the growth of the Party's social functions and responsibilities in the 1930s, and the one indeed made possible and justified the other.

The *Fogli d'Ordini* and *Fogli di Disposizioni*, which were the daily instruction sheets sent by the Party Secretary to the *federali* (provincial Party leaders), together with the Party archive containing the regular reports on Party activity in the provinces submitted to the centre by the *federali*, are the main sources available for a reconstruction of provincial Party affairs. There are self-evident and inescapable problems in handling this Party documentation. Bureaucracies in action were and are banal. Some provincial Party secretaries simply reported back in the language of the original directive from the centre, where it must have felt like looking into a mirror, and occasionally there were complaints about the bland and generic nature of the reports. Blandness was also the perhaps inevitable outcome of a process where the *federali* were reporting to their superiors on their own activity, and bound to cast what they had done in a rosy and optimistic light. By no means every *federale* conveyed the impression that all was well in his patch, however, and the central PNF, and now the historian, could and did use other sources of information, reports from the Militia, the prefects, the various police forces and anonymous police agents and informers, to contest and check on the actual performance of the provincial Party. It is certainly possible to reconstruct the range and level of the PNF's action in the local setting, and the fact that certain activities took place was in itself revealing of the Party's involvement in and penetration of provincial society. It is, admittedly, more difficult, if not impossible, to get a sense of the quality, effectiveness and impact of Party action.

The organizations through which the PNF attempted to control economic matters were the *comitati intersindacali* (intersyndical

1. ACS, *D[irettorio] del PNF*, pacco 339, 'F[ogli] di D[isposizioni] 1932-34', *Foglio* no. 51, 2 Dec. 1932. For the reorganization in individual Party federations, see the reports by the provincial Party leaders of Reggio Calabria, 4 July 1935, and Reggio Emilia, 5 Nov. 1933 and 4 Sept. 1935, in ACS, *P[artito] N[azionale] F[ascista]*, *S[ituazione] P[olitica] ed E[conomica] delle P[rovincie]*, b. 17, 'R. Calabria', and b. 18, 'R. Emilia'.

committees), first set up in late 1926 to early 1927 and lasting until their formal abolition in April 1937. *Sindacato* (syndicate) literally means 'trade union'; in 'syndicalist' and Fascist usage, the term covered not only this, but all functional economic associations organizing workers, traders, employers and managers in each branch of production. Significantly, the intersyndical committees started as an initiative taken by some provincial Party federations, apparently to enforce or facilitate the application of the 1926 law on the legal regulation of labour relations, a cornerstone of the new Fascist state system which required the officially recognized bodies representing workers and employers to negotiate collective labour agreements contractually binding on the sector of economic activity as a whole.¹ In the words of the *federale* who claimed for the Tuscan province of Grosseto the formation of the first intersyndical committee in May 1927, it was 'a body liaising between the various syndical and economic federations, and between these and the Party . . . an instrument for the reconciliation of opposing interests in an atmosphere of collaboration'.² The Party Secretary, Augusto Turati, eagerly extended the experiment to other provincial Party federations. Presided over and convened by the *federali*, the committees brought together representatives of the local employers', workers' and traders' associations or syndicates, and were enjoined to examine and resolve major economic disputes occurring in the province, to draw up and implement provincial labour contracts, and to exercise political control over the syndical bodies and their leaders.³ A central intersyndical committee was set up in the autumn of 1927, presided over by Party Secretary Turati and including the leaders of the national syndical confederations and the Undersecretary (junior Minister) of the new Ministry of Corporations.

Turati clearly saw the committees as the means of ensuring Party control of both employers' and workers' syndicates and of planting the Party firmly in economic life. It belonged there because in Turati's conception, Fascism's putative corporative order built on 'nation, production, collaboration of classes', could be created only by and through the regime's political organ, the Party. The committees were concrete and practical 'schools' of 'national consciousness' in the economic sphere, where under Party auspices egotistical class and

1. For the syndical law, P. Morgan, *Italian Fascism, 1919–1945* (London, 1995), pp. 88–90. For the origins of the intersyndical committees, Aquarone, *L'organizzazione dello stato totalitario*, p. 140.

2. Federazione dei fasci di combattimento di Grosseto, *Atti della VIII assemblea del fascismo di Maremma* (Grosseto, 1928), p. 22.

3. Lyttelton, *The Seizure of Power*, p. 346; the summary of Turati's Aug. 1927 circular in C. Toesca di Castellazzo and G. Binello, *Il Partito nella vita economica italiana. La politica fascista degli approvvigionamenti e dei prezzi* (Turin, 1938), p. 81; C. F. Chilò, 'Funzioni e natura dei comitati intersindacali', *Gerarchia*, xvi (1936).

sectional interests and mentalities could be made to give way to and harmonize in the superior interest of national production.¹

The intersyndical committees were carrying Turati's hopes for a relaunch of the PNF; even more so when, in late autumn 1927, their already wide powers were increased by their being made responsible for the regime's first stab at a prices and incomes policy. In 1925–6 rising inflation and growing deficits in Italy's balance of trade and payments, together with revaluation of the US dollar and British sterling, were cause and effect of stock-market speculation and devaluation of the Italian currency. In order to stabilize the value of the *lira* and to meet the deflationary pressures coming from the Anglo-Saxon governments and financial markets, Mussolini had in August 1926 hitched the prestige of the regime to a high revaluation of the Italian currency, starting a decade-long deflationary cycle which by early 1927 was being felt in falling production and wages and growing unemployment. The Party was mobilized to fight the 'economic battle' and to confront the effects of the *lira* revaluation crisis. Following the Party's first signalling of official wage cuts in May 1927, the central intersyndical committee meeting in October 1927 sanctioned employers' demands for further across-the-board pay reductions of 10 to 20 per cent. The actual level of wage cuts within this band was to be determined and imposed by the provincial intersyndical committees, not unilaterally decided by individual firms.

If loss of pay was to be Italian workers' enforced contribution to the accommodation of production costs to the over-valued currency, then as consumers they could expect a corresponding deflationary fall in prices, rents and the cost of services. Operating as 'price committees', the *comitati intersindacali* set retail prices for some items of basic popular food consumption, including rice, pasta, meat, some cheeses and fish, olive oil, milk, sugar, coffee and fats, but excluding bread. Running such a price regime required and allowed the committees to intervene in some, though not all, stages of the economic cycle. They had to find out the factory or farm-gate price, the price of the product at the point of production, and then build in other allowable costs of transport and distribution, including a 'fair' profit to the retailer, to determine the retail price at the point of sale. In effect, the committees were establishing a 'base' or an 'indicative' price, around which actual retail prices on the ground could fluctuate according to local market and environmental conditions, such as district taxes and duties. Allowing real prices to oscillate around a notional average price self-evidently made it more difficult to restrain rises in those real prices. Again, the

1. A. Turati, *Ragioni ideali di vita fascista* (Rome, 1926), pp. 56–64; *Il Partito e i suoi compiti* (Rome, 1928), pp. 9–11; *Un anno di vita del Partito* (Rome, 1929), pp. 157–62; ACS, *DPNF*, pacco 338, 'F[ogli] d'O[rdini]', 1926–43', *Foglio* no. 4, 28 Aug. 1926.

committees' powers of intervention were largely in the area of distribution. They could not actually determine the production price, only ascertain it. Turati's original August 1927 circular defining the committees' role had ruled out any interference in factory working conditions and in the management of individual firms, except where there were 'political' implications, a caveat presumably vague enough to allow the *federali* to act if they so wished. For the moment, the committees' remit on prices did not enable them to affect production, other than at a distance in the settlement of collective labour contracts.¹

We know that the *comitati intersindacali* functioned as pricing bodies during the revaluation crisis, but little of their effect. It seems likely that they were more effective in imposing wage cuts than in keeping prices down, a function of the repressive nature of the Fascist State which, by abolishing the right to strike, disabled workers' resistance to attacks on their pay. There were other internal biases to the Party's price regime which made it more difficult for the PNF to act as the consumer's friend and watchdog. In the determination of prices, the committees perforce had to rely on technical economic data and information supplied to them by the local syndical organizations, including those of the traders, merchants and shopkeepers who would be expected to abide by the committees' price lists. The Party's line to the traders' associations through the committees was of course one reason why the Party was given responsibility for prices. But it took a brave committee to ignore the technical advice and expertise of the traders' syndicate representatives, and price setting may well have protected shopkeepers before consumers as a result.

Price regulation, Fascist or not, was also objectively a complex and sensitive technical operation, requiring delicate intervention at different stages of the supply and distribution process and over a wider range of economic activity, especially when, as with bread and cheese, the regulators would have to push even further along the economic chain and investigate the price and quality of the source materials. The pricing of milk, grain and flour was apparently not within the competence of the intersyndical committees. This was handled by local organs of the Ministry of National Economy, the *commissioni provinciali annonarie* (provincial provisioning committees), presided over by the prefect and involving the *Podestà* (Fascist mayors) in setting bread prices. The implication was that the *comitati intersindacali* were not technically equipped to deal with it and any inexperienced price setting might well dry up the supply of grain for bread-making.² This pointed to the inherent

1. For the *lira* revaluation crisis, Morgan, *Italian Fascism*, pp. 98-101. For wages and prices, Toesca and Binello, *Il Partito nella vita economica italiana*, pp. 83-4; G. Jorio, *Fascismo e prezzi* (Rome, 1929), pp. 31-6; ACS, *DPNF*, 'FO', *Fogli* nos. 35, 3 Oct. 1927, and 43, 28 Jan. 1928.

2. Jorio, *Fascismo e prezzi*, pp. 41-4; Toesca and Binello, *Il Partito nella vita economica italiana*, p. 73.

limitations of price controls in anything other than a totally planned economy.

Again, the Party acknowledged both centrally and locally that it could do little to accelerate the closing of the 'natural' time gap between any fall in wholesale prices and the corresponding retail prices,¹ which meant of course that consumers whose pay was being cut at a stroke suffered an immediate increase in living costs. The prefect of Genoa reported rather defensively that, concerning the surveillance of prices, the provincial committee 'does what it can with a lively concern and energy, but its action has a limited range . . . because it is not easy to affect prices which follow inflexible economic laws'.² These were the 'laws' of supply and demand, which the committee found itself chasing rather than controlling, managing to block unjustified price rises on some items and keep other price hikes within reasonable limits. The committee's action, in other words, might well have reduced the impact of the speculation which was itself a consequence of a price regulatory scheme. Moral and even intimidatory pressure on traders to act 'responsibly' over prices was probably the most the local Party could do,³ and some *federali* clearly felt that the committee's lack of legal, statutory powers inhibited their effectiveness and allowed interested groups to ignore or evade its directives.⁴ Because at this stage the Party's intersyndical committees had no legal status and powers and exercised only a moral and political authority, their influence depended very much on the energy and *élan* of the local PNF leadership, which were variable in practice. The intersyndical committees received a kind of indirect formal recognition by being included among the provincial Party organizations in the 1932 PNF statute. But *de jure* as opposed to *de facto* economic powers were granted to the Party only in late 1936, during the period when the PNF once again resumed pricing functions.

Whatever the limited concrete impact of its pricing measures, the Party's economic mobilization for the revaluation crisis was important in itself and for what was to come. The 'battle for the *lira*' was the first set piece of 'totalitarian' mobilization in the Fascist regime, where the Party and its linked organizations were drafted in to carry through the government's economic policy. During the campaign to align the economy with the high value of the *lira*, the Party had not only propagandized what was portrayed as a national struggle for economic independence. It had also intervened directly in the economic process, to carry out what it regarded as much a 'political' as a technical manoeuvre,

1. ACS, *DPNF*, pacco 338, 'FO', *Foglio* no. 23, 10 Feb. 1927; Federazione dei fasci di combattimento di Pavia, *Fatti, opere e uomini del fascismo pavese. Relazione al X congresso provinciale, 1928* (Pavia 1928), p. 15.

2. A[rchivio] di S[tato] di Genova, *Prefettura di Genova*, pacco 165, prefect's report for May–July 1928.

3. ACS, *DPNF*, pacco 338, 'FO', *Foglio* no. 43, 28 Jan. 1928.

4. ACS, *MRF*, Pt. 1, b. 9, 'Rapporto del Duce', 'Lombardia' (Milan) and 'Campania' (Salerno).

trying to superimpose the will of the regime on the natural, ungovernable 'laws' of economic development, disciplining and demanding sacrifices of all sides for the greater good of the national economy. The attempt to direct if not plan the economy, and to change it by administrative and political action, was a foretaste of the autarchic and warmongering economic measures of the mid-to-late 1930s.

Once the situation had stabilized and revaluation was achieved, the Party campaign was called off. In September 1928 the pricing functions of the *comitato intersindacale* passed to the rival state body in the provincial 'corporative' arena, the *consiglio provinciale dell'economia* (provincial economic council), presided over by the prefect. This council was, in fact, the former chamber of commerce, now renamed and revamped. This was a Party to be mobilized for a crisis, and once the crisis was over, it could be demobilized. Such was the pattern for the Party's intervention in economic affairs in the future. At various key points in the 1930s during periods of particular economic and political sensitivity for the regime, the PNF resumed and extended the economic tasks first taken up in the 'battle for the *lira*'.

But the intersyndical committees did not atrophy with the transfer of their *de facto* powers to regulate prices. The Party aspired to a permanent 'political' presence in economic life, and continued to run the committees, if only as a way of retaining their hold over the various workers' and employers' syndicates. The intersyndical committees, together with new statutory institutional controls over employment, provided the Party with the means to involve itself in key areas of labour relations.

The March 1928 decree on 'the national regulation of the supply and demand of labour' had been signalled nearly a year before in the Labour Charter, the regime's statement of general principles on labour organization, and it followed logically from the 1926 syndical law, which required the officially recognized and monopolistic economic organizations to negotiate binding collective labour contracts. The decree envisaged the establishment of employment offices for industry, agriculture and trade. Unemployed workers had to register at the offices for work, and employers in turn were obliged to employ only registered workers, and expected to show a preference for workers who were PNF or syndicate members. Like other measures which laid the bases of the Fascist state in the late 1920s, this was something of a halfway house, and represented a characteristically uneasy compromise of the various interests in play. Employers wanted the setting up of a voluntary rather than a compulsory employment scheme, and expected the employment offices to be responsible to the appropriate state organs, the Ministry of Corporations centrally and the prefects locally. Their intention was to keep political criteria out of recruitment for employment and to preserve the complete freedom to hire and fire as they chose. The PNF and the

workers' syndicates confederation demanded Party-controlled offices to select workers for employers.¹

What emerged probably gave more satisfaction to the Party than the employers, and came close to embodying the latter's real fear that the Party would become the arbiter of employment. Whatever the perspective, it was actually a recipe for confusion and conflict on the ground, not only between employers' and workers' organizations but also between Party and state authority and agencies. Each provincial employment office had an executive committee, presided over by the *federale*, and with equal representation of workers' and employers' organizations. This committee chose, from nominations submitted by the workers' syndicates, the executive officers or employment agents (*collocatori*) who carried out its directives on employment policy. But the personnel and administration of the employment offices were the responsibility of the Ministry of Corporations and of its local organ, the provincial economic council, presided over by the Prefect. So the employment offices answered to the prefect for management matters, and to the *federale* for policy. This distinction between 'technical' operational matters and 'political' syndical issues, which was used to rationalize the cohabitation of Party and state agencies in the same 'corporative' field, was unsatisfactory in both theory and practice, and led to smouldering unresolved Party-State tensions.

Late in 1934, it was decided to merge the three separate employment offices for industry, agriculture and commerce into a single provincial office, significantly justified as the way to release the *federale* from the administrative burden of presiding over three executive committees, the better to undertake his essentially 'political' function. But the hybrid management structure of the single provincial employment office did not change. To the Interior Ministry's complaint that their man, the prefect, was being excluded from the 'political' operation of the office, when as the State's representative he was the political superior of the *federale*, the Minister of Corporations could only reply with a restatement of the previous technical-political demarcation of responsibility. His insistence that somehow only the Party could realize the political and moral ends of the corporative order, while simultaneously acknowledging the overall political supremacy of the prefect, simply covered over without resolving the basic and continuing conflict between Party and State.²

1. L. Rosenstock-Franck, *L'économie corporative en doctrine et en fait. Ses origines historiques et son évolution* (Paris, 1934), pp. 72–81.

2. Briefing reports for 30 Oct. 1928 Council of Ministers or Cabinet meeting, which approved the detailed regulations for the enactment of the March 1928 decree on employment offices, and for 18 Oct. 1934 Cabinet meeting, which approved the establishment of a single provincial employment office, and correspondence between the Ministers of Interior and Corporations, 17 Oct. and 10 Nov. 1934, in ACS, *P[residenza] del C[onsiglio] dei M[inistri]*, *Atti*, 1928, b. 7, 'Corporazioni', and 1934, b. 36, 'Corporazioni'.

The employment offices in the provinces took some time to be set up and become operational. They had a constant struggle to get workers to register with them, and an even greater one to secure the compliance of employers, who were both reluctant to recruit from them and to prefer Party or syndicate members when they did. This was especially the case in agricultural areas where farms and estates were worked by an army of landless day labourers (*braccianti*). Since labour was abundant and cheap, the offices were a particularly resented restraint on the farmers' freedom to decide how many and which workers to employ, and for how long. Indeed, in some *braccianti* zones, the offices were soon effectively abandoned by both workers and employers. The latter took advantage of a late 1929 change in regulations which removed their obligation to employ workers from the office lists if the work on offer lasted less than a week. Hiring workers for one or a few days was often the norm in overpopulated rural areas marked by underemployment and seasonal highs and low in demand for labour. The loophole was partially closed by giving the Ministry of Corporations the right to grant exemptions to the exemption, which stopped short of restoring the absolute obligation to hire and fire only through the employment offices. Certainly, the central Party urged the *federali* to ensure that the offices were used even if employment was only for a day.¹

It is clear from the instances we have of the employment offices in operation, that the *federali* and agricultural workers' syndicates used the offices and the intersyndical committees to secure control over agricultural labour and its employment. For instance, the energetic and interventionist *federale* of the Emilian province of Modena, Temistocle Testa, later to become a 'Fascist prefect', pushed through his intersyndical committee a scheme which not only required farmers to hire workers exclusively through the employment offices, but also imposed a quota of workers and working days according to farm size and insisted that workers' wages were paid directly to the office, in order to prevent employers from paying below the contractual minimum. Even if other *federali* did not go as far as Testa in using the offices to force employers to honour labour agreements, they saw the unemployed workers' obligation to register with the offices as a means of pressurizing workers to join the syndicates. Making syndicate membership the price of employment was the Party's main recruiting arm and perhaps the only effective way of closing the enormous gap between the number of workers legally represented by the syndicates and actual enrolment. It worked this way in the southern province of Brindisi, for example, where in common with most if not all areas of the south and islands, Fascist

1. Briefing report for 20 June 1930 Cabinet meeting, in ACS, *PCM, Atti*, 1930, b. 34, 'Corporazioni'; Ministry of Corporations inspector's report on Bari, in Puglia, and Bottai's response, June 1930, in ACS, *PCM*, 1928-30, fasc. 18, sottofasc. 3, protocollo 8900, 'Uffici di collocamento'.

organization had barely started by the mid-1920s. In late 1931 an estimated one in five prospective members of the various syndicates were actually signed up, but by far the highest recruitment was to the agricultural unions, reportedly 16,000 of a possible 23,000.¹

If the early operation of the employment offices left something to be desired, the opportunity to test and improve their effectiveness came with the implementation of a nation-wide agreement made binding and permanent in a Grand Council decision of February 1935 to limit the working week to forty hours: an attempt to soak up the high residual unemployment of the depression. The *federali* were expected to apply the national agreement and, indeed, to broker arrangements at the local level, taking the chance to impress on employers the obligation to use the employment offices and restrict further their freedom of choice of workers. For most categories of worker, agricultural employers had to submit numbers, not names, of workers they would re-employ under the national agreement, and let the offices fill the vacancies.

This was a sensitive and difficult task, because the absorption of unemployed workers, particularly in agriculture, was borne by employed workers whose wages and hours were reduced, and evasion by employers was commonplace. In April 1935, the PNF Secretary, Starace, was complaining about provincial federations' inadequate enactment of the measure, insisting that the intersyndical committees decide on employers' requests for exemptions from the forty-hour week and ensure that re-employment was permanent, not temporary. Significantly, Starace attempted to define a demarcation of responsibility and basis for co-operation between the intersyndical committees and the Ministry of Corporations inspectorate, also charged with overseeing the application of the forty-hour week.²

Some *federali* acted without any needling from the centre. In Sicily and Umbria, the intersyndical committees of both the Palermo and Perugia federations set up special commissions to carry out the measure, extracting a promise from local firms to end overtime, and weeding out women and pensioners in white-collar employment. In Reggio Calabria, the intersyndical committee introduced experimental fortnightly shifts on provincial construction projects in order to share work around the available unskilled building labourers, while in Reggio Emilia, on-site checks of factories were made to ascertain whether firms could take on more staff. As a result, the Perugia *federale*, for instance, could claim that

1. Testa's report to the prefect, 26 Mar. 1930, in AS Modena, *Prefettura. Gabinetto*, 1929-30, fasc. 2-1-1, b. 240; the Ministry of Corporations inspectors' reports on Bari and Modena, June and 12 July 1930, in ACS, *PCM*, 1928-30, fasc. 18, sottofasc. 3, protocollo 8900, 'Uffici di collocamento'; prefect of Brindisi's report for Oct.-Dec. 1931, in ACS, *M[inistero] dell'I[nterno]. Direzione] G[enerale] della P[ubblica] S[icurezza]. Affari] G[enerali] e R[iservati]*, 1927-33, Ct, b. 43, 'Brescia-Cosenza', 1932.

2. ACS, *DPNF*, pacco 338, 'FO', *Fogli* nos. 134 and 135, 18 Feb. and 21 Apr. 1935; pacco 340, 'FD 1934-36', *Fogli* nos. 376, 379, 395 and 401, 2 Apr., 5 Apr., 30 Apr., and 14 May 1935.

by the end of January 1935, over 1,000 formerly unemployed industrial workers were now at work, about 800 of whom were attributed to the forty-hour week campaign. The federation had also 'collected' from local farmers 118,000 additional days' work for unemployed *braccianti*, though it had to agree to lower than contracted wages.¹

Soliciting extra work at reduced wages was, in fact, a regular chore of Party organization in the countryside from the early 1930s during the depression: an attempt to ease agricultural unemployment at its seasonal peaks in the spring and winter months. From the 1934–5 season onwards, the central Party leaders regularly settled collective agricultural labour agreements with the heads of the national syndical associations for the recruitment, pay and working conditions of ten and hundreds of thousands of local and migrant labourers who worked seasonally in the olive groves of the south and islands, the rice fields of the northern plain, and the harvesting and threshing of grain throughout the country. The national agreements were then supervised at the local level by travelling teams of central Party inspectors and by the provincial federations, which also provided aid, welfare and recreation, usually through the *fasci femminili* (the Party's women groups). They were responsible, for example, for the facilities laid on for the small army of migrant female rice workers.²

In fact, provincial Party federations often played an active role in negotiating local labour agreements as well as in ensuring their implementation, because most national settlements set out the widest of parameters for a deal and left the detail to be worked out in a series of locally bargained arrangements. So – to mention a few examples of many – the Pavia *comitato intersindacale* stipulated a provincial labour agreement for agricultural workers in 1927–8, the *federale* claiming that the Party's intervention had eased the way to a settlement which was beyond the interested parties negotiating on their own. The Grosseto committee had imposed worker employment quotas on agricultural employers in 1928. Two years later the Grand Council decided to do the same on a national basis, and thereby resurrected one of the most resented policies of the socialist movement, limiting farmers' freedom of action in hiring labour. The *federale* of Modena brokered a new share-cropping agreement between the farmers' federation and agricultural syndicates in 1933, while the Reggio Emilia intersyndical committee, like many others, tried to make small peasant farmers out of

1. Palermo *federale*'s reports, 9 Jan. and 5 Mar. 1935, Perugia *federale*'s reports, 4 Jan. and 3 Mar. 1935, R. Calabria *federale*'s report, 5 Jan. 1935, R. Emilia *federale*'s report, 3 May 1935, in ACS, *PNF SPEP*, b. 12, 'Palmero', b. 13, 'Perugia', b. 17, 'R. Calabria', b. 18, 'R. Emilia'.

2. ACS, *DPNF*, pacco 338, 'FO', *Fogli* nos. 125 and 135, 15 May 1934 and 21 Apr. 1935; pacco 340, 'FD 1934–36', *Fogli* nos. 226, 235, 359, 596, 634, 783, and 864, 22 Mar. and 23 Apr. 1934, 22 Feb. 1935, 16 June and 24 Sept. 1936, 3 Apr. and 9 Sept. 1937.

unemployed *braccianti* by negotiating with landowners for the cession of strips of land to be worked on share-cropping contracts.¹

The local application and negotiation of labour contracts naturally involved the *federali* and intersyndical committees in the arbitration of labour disputes and conflicts. This was the original role of the first committees and it remained the most important reason for their existence. So much so that in Parma the committee did not meet at all from July to September 1933, and the Siena committee cancelled its meetings in January and February 1934, because any disputes had already been resolved by the syndical bodies. In these cases, the committees acted as a back-stop or last resort for labour disputes which were usually handled further back in the chain of syndical organization. Only two of the 346 industrial disputes recorded by the Rieti *federale* in 1931 went to the *comitato intersindacale*.² Such relative inactivity in what was the committee's expected line of work also reflected the sheer lack of clout and legitimacy of bodies which lacked any formal legal sanction and standing. The Genoese *federale* saw the real achievement of the committee's intervention in an agricultural dispute as being the tacit acknowledgement by the opposing parties of the committee's competence and authority to deal with the conflict. Such a situation reflected badly on the resolution and stature of the Party federation in question, and as always the calibre of the provincial Party's leadership had a direct bearing on the effectiveness of the Party's organizations. In contrast to the Genoa *federale*'s passivity, other federations gave an impression at least of frenetic activity. Andrea Gastaldi, the *federale* of Turin, Italy's major industrial city, regarded the committee as the first port of call, not the last resort for industrial disputes. The committee met monthly between August 1931 and March 1933, settling 75 of the 91 disputes it examined and referring the rest back to the syndical organizations. The Milanese committee allegedly handled 183 disputes between October 1932 and October 1933, but interestingly only 28 were in industry, with over half its case load coming from the commercial sector.³ However impressive the figures, some of the major disputes may not have gone to the committee for conciliation.

The committees expected to intervene in economic conflicts which had 'political' repercussions, which could be taken as *carte blanche* for

1. Federazione di Pavia, *Fatte, opere e uomini del fascismo pavese*, p. 14; Federazione di Grosseto, *Atti del VIII assemblea*, p. 23; ACS, *DPNF*, pacco 338, 'FO', *Foglio* no. 74, 10 Apr. 1930; Modena *federale*'s report, 5 Nov. 1933, and R. Emilia *federale*'s reports, 14 Mar., 5 July 1934 and 3 May 1935, in ACS, *PNF SPEP*, b. 8. 'Modena', and b. 18, 'R. Emilia'.

2. Parma *federale*'s reports, 9 Sept. and 3 Nov. 1933, Siena *federale*'s report, 4 Mar. 1934, in ACS, *PNF SPEP*, b. 12, 'Parma', and b. 21, 'Siena'; Rieti *federale*'s report, 14 Oct. 1931, in ACS, *Senatori e Consiglieri Nazionali*, b. 24, 'Cesare Pileri'.

3. *Federale*'s report to the prefect, 14 June 1929, in AS Genova, *Prefettura*, pacco 165; Gastaldi's report to Mussolini, 13 May 1933, in ACS, *SPDCR*, fasc. 242/R, b. 42, 'Gastaldi', sottofasc. 3; 'Specchietti illustrativi delle attività svolte dalla federazione dei fasci di combattimento della provincia di Milano, anno XI', ACS, *PNF SPEP*, b. 7, 'Milano'.

blanket interference. A self-evidently 'political' matter which the committees always examined was the disciplining at work or sacking of workers who were officials or representatives of the workers' syndicates. In effect, the sacking of these men required the committees' approval, and where it was felt that the employers were victimizing the worker because of his syndical position, the committees insisted on his reinstatement.¹ Other demonstrable 'political' triggers for the committees' involvement were the actuality or threat of illegal action, which included strikes and lockouts, and of any disturbance to public order and public services. So, for instance, a threatened strike at a Perugia match factory in protest at a 15 per cent wage cut which had, in fact, been sanctioned nationally by the government as one of a series of general wage reductions during the depression, was averted when the *federale* persuaded the parent company to suspend the measure and to allow the dispute's resolution in the *comitato intersindacale*. The outcome was the employer's partial abandonment of the proposed wage cut. In Piacenza, the intersyndical committee settled a dispute between the syndicates and the town's tram company over unpaid wages and overtime.²

In the overwhelming majority of cases, disputes were caused by the employers' violation of collective labour contracts, and the provincial Party was constantly urged by the centre to ensure that they were honoured in practice. Indeed, the Party Secretary, Starace, while mouthing the customary justification of the PNF's role in the arbitration of labour disputes that it alone was impartially above the interests in conflict, declared that 'on the emotional plane, the Party tends more towards the working masses . . .'.³ Perhaps the true measure of the committees' part in conflict resolution was the extent to which disputes were settled in favour of the work-force. The instances already mentioned were certainly symptomatic of this apparent workers' 'tendency', and these were not isolated cases. But the *federali* would be expected to put a pro-worker gloss on the committee's work in settling labour disputes, if only because so many of the cases it dealt with arose from employers' evasion of what were meant to be legally binding work contracts, and the Party needed to establish some kind of credibility among workers for itself and the workers' syndicates.

In some cases, this was an impossible task, because the provincial Party's collusion with and dependence on local employers was transparently evident and went back to the violent anti-socialist origins of the

1. ACS, *DPNF*, pacco 339, 'FD 1932-34', *Fogli* nos. 145, 31 July, and 151, 21 Aug. 1933; Siracuse *federale*'s report, 5 Sept. 1933, Piacenza *federale*'s report, 9 Nov. 1933, Perugia *federale*'s report, 5 July 1934, Siena *federale*'s report, 5 May 1934, La Spezia *federale*'s reports, 10 Nov. 1934 and 4 May 1935, in ACS, *PNF SPEG*, b. 21, 'Siracusa', b. 14, 'Piacenza', b. 13, 'Perugia', b. 21, 'Siena', b. 22, 'La Spezia'.

2. Prefect of Perugia reports, 1 and 22 Apr. 1930, in ACS, *MI DGPS AGR*, 1927-33, C1, b. 56B; Piacenza *federale*'s report, 9 Nov. 1933, in ACS, *PNF SPEG*, b. 14, 'Piacenza'.

3. Starace's report for Grand Council meeting, 15 Feb. 1935, in ACS, *SPDCR*, 242/R, b. 31, 'Gran Consiglio del Fascismo', sottofasc. 13, inserto A, 'Febb. 1935-XIII'.

Fascist movement. A PNF investigation of the situation in the Umbrian town of Terni found a federation in the pocket of the giant iron and steel works employing over 4,000 people. The provincial Party directorate included a director of the firm, while the *federale*, a local lawyer, and his brother did business with the company. It was no wonder that the head of the provincial workers' syndicates complained of the *federale's* lack of support in the intersyndical committee's discussion of a long-running labour contract dispute, which had allowed the works to delay paying wage increases to its employees for over two years. The extent of the local Party's complicity with the bosses, and the stultifying effect this had on the Party's organizations, was even clearer in the Tuscan marble mining region of Massa and Carrara. The industry was in deep crisis in the early 1930s, and revived Fascist squads had broken up a strike of marble workers protesting at wage cuts and some of the most difficult working conditions in the country. Here the local Fascism was the appendage of the marble quarry owners and traders, who were the clients of the *federale*, another lawyer, whom the prefect considered 'too passive and indulgent' in the face of employers' flagrant violation of labour agreements. Significantly, the intersyndical committee met in June 1933 for the first time in nearly a year, with an agenda set by the provincial industrialists' union. It included a motion to prevent syndicates and employment offices from reporting firms not abiding by labour contracts. Later, the employers only provisionally accepted that the intersyndical committee could intervene in cases of violation or non-fulfilment of labour agreements, pending an appeal to the Ministry of Corporations. It was clear, anyway, that the work of the committee in ensuring the application of labour agreements was instead being carried out by the Ministry of Corporations inspectorate.¹

In more general terms, the 'productivist' rationale behind the regime's syndical and corporative apparatus always put the creation of wealth before its distribution, which tended to go against the interests of workers and consumers if their protection was an obstacle to production. The outcome of the *federale's* involvement in economic matters was therefore often improvements at the margins of the workers' life: defensive action which in effect only made things less bad for them. This was clearly the case with the Party's attempts to increase employment in the application of the forty-hour week: more people had jobs, but the cost in the shape of fewer hours, less overtime and lower pay was carried by the work-force as a whole. Typical of the Party's intervention during the depression was the promise extracted from FIAT by the Turin *federale* that the company, having just sacked 500 workers and put

1. Fausto Bianchi's 'relazione sulla situazione di Terni', 3 Nov. 1930, in ACS, *PNF SPEP*, b. 24, 'Terni'. The *federale*, who was also the *Podestà* (Fascist mayor) of Terni in 1928-9, was removed following the PNF inquiry. Prefect of Massa-Carrara's reports, 19 May 1932, in ACS, *MI DGPS AGR*, 1932, C1, b. 46, 'Situazione politica', and 2 July, 2 Aug. and 2 Nov. 1933, in AS Massa, *Prefettura. Gabinetto*, b. 3, fasc. 9-1.

another 500 on short time, would with the *federale's* agreement reduce the working hours for more workers before proceeding with any further redundancies.¹

It was noticeable from even the bland and generic reporting of the activities of the intersyndical committees that more was being done and attempted in the agricultural and commercial than in the industrial sector of the economy. The Party's demonstrably greater confidence in intervening in agricultural matters reflected the stronger organizational roots put down from the early 1920s in the agrarian provinces of north and central Italy, where the Fascist movement made its political breakthrough. The decision to 'unblock' or disaggregate the vast national confederation of workers' syndicates in November 1928, taken with the PNF's support and intended to further the syndicates' subordination to the Party, helped to ensure that the industrial workers' syndicates remained the poor relation of the regime's syndical organizations.² There is some evidence that the 'unblocking' affected the operation of the intersyndical committees. The *federale* of Genoa reported that the activity of the local committee had declined appreciably in the six months after the confederation's break-up, as the old workers' syndicates representatives were purged and replaced by new Party and state nominees,³ a move which probably sapped the vigour of workers' representation on the committees in the longer term.

The same combination of PNF Secretary Turati and junior Minister of Corporations Bottai then put paid to the workers' syndicates' attempts to revive internal factory workers' commissions through *fiduciari di fabbrica* (factory agents), who would guarantee the syndicates a presence and a voice in the actual management and operation of individual industrial plants. The issue was decided in a meeting of the central intersyndical committee in September 1929, and the outcome was another botched middle way. The *fiduciari* were abolished, but where the territorial organization of the syndicates was likely to inhibit the speedy intervention of workers' syndicate officials in disputes in individual factories, they could send 'syndical delegates', who were not, however, allowed to get involved in disputes occurring in factories where they were themselves employed. This complicated arrangement meant that Party and syndicate could not of right go behind the factory gates, but it was an opening of sorts, and we find some intersyndical committees setting up a network of 'delegates' at the local level, and using them to report on conditions in factories.⁴ *Fiduciari di fabbrica* were eventually conceded in October 1939, and their authorization was

1. Gastaldi to Party Secretary Giovanni Giuriati, 1 July 1931, in ACS, *PNF SPEP*, b. 25, 'Torino'.

2. Morgan, *Italian Fascism*, pp. 90-1.

3. *Federale's* report to prefect, 14 June 1929, AS Genova, *Prefettura*, pacco 165.

4. Rosenstock-Franck, *L'économie corporative*, pp. 102-5; prefect of Genoa's report, 30 Dec. 1929, AS Genova, *Prefettura*, pacco 165, fasc. 9-2-36; Palermo *federale's* report, 9 Jan. 1935, ACS, *PNF SPEP*, b. 12, 'Palermo'.

seen by the PNF as 'a means to get to know more thoroughly the atmosphere which workers experience in individual firms'. As was the case with all other syndical posts, the *fiduciari* had to be PNF members whose appointment was approved by the Party. Although formally banned from interfering directly in the management and labour relations of the factory, they were to report on firms to the *federale*, and participate in meetings where syndical issues involving the business were discussed.¹ It was clear that the *fiduciari* were regarded as the Party's foothold in factories and firms. But the lateness of their establishment only confirmed that for much of the 1930s, the Party and workers' syndicates lacked the direct leverage to affect what went on in the industrial work place.

The PNF resumed responsibility for price controls in June 1934, and held it until the formal abolition of the *comitati intersindacali* in April 1937. Although the Party exercised these controls continuously over the period, the reason for renewing its pricing function lay in three separate phrases of heightened economic difficulty for the Fascist regime.² The devaluation of the US dollar in February 1934 increased still further the value of an already over-valued *lira*, and having excluded a devaluation of its own, the government administered another dose of deflation. As in 1926–7, official wage cuts were sanctioned, this time of 3–7 per cent, and the Party was called in to ensure that the cost of living was similarly accommodated to the revalued *lira*. Provincial intersyndical committees were taking action on prices from March, initiatives which were then incorporated into a general pricing scheme launched by the central Party in June.³ The second phase covered the preparations for the Italian invasion of Ethiopia from about the spring of 1935, through the invasion and conquest itself from October 1935 to July 1936, when the League of Nations lifted the economic sanctions imposed at the start of the military campaign. Especially during the period of the invasion and sanctions, when the Party's pricing activity was intensified 'to the point of being uninterrupted',⁴ the aim was to limit the effect on prices of shortages and the disruption of supplies caused by war and the ban on imports. Finally, with the government aiming to improve the balance of trade, the long overdue and steep devaluation of the *lira* in October 1936, accompanied by general wage and pay rises, required the Party to prevent rising prices from eroding wage gains and setting off an inflationary spiral.

1. ACS, *DPNF*, pacco 341, 'FD 1937–39', *Foglio* no. 1422, 1 Oct. 1939.

2. Economic developments in the 1930s can be followed in G. Toniolo, *L'economia dell'Italia fascista* (Bari, 1980), chs. 4–6.

3. For example, the May 1934 reports of the *federali* of Mantua, Naples, Pesarò, Pescara, Piacenza and Savona, in ACS, *PNF SPEP*, b. 4. 'Mantova', b. 9, 'Napoli', b. 13, 'Pesarò', 'Pescara' and 'Piacenza', and b. 20, 'Savona'; ACS, *DPNF*, pacco 338, 'FO', *Foglio* no. 135, 21 April 1935; pacco 339, 'FD 1932–34', *Foglio* no. 258, 16 June 1934.

4. ACS, *DPNF*, pacco 340, 'FD 1934–36', *Foglio* no. 446, 12 Oct. 1935.

Initially, price controls operated on similar lines to the 1927-8 campaign. The intersyndical committees were periodically to compile maximum retail price lists with which traders had to comply, for twenty-one items of basic popular consumption. This time they took in a wider range of goods, including bread, flour, rice, pasta, vegetables, meat, fish, fats, olive oil, sugar, coffee and coal. As before, price setting had to take account of allowable costs in the distribution cycle from the point of production to the point of sale, with any local variations agreed to by the communal state and Party authorities. In an additional move to placate consumers, Party federations were to set up complaints offices, which would provide consumer information and advice, and investigate and punish abuses of the system brought to their attention by the public.¹ But in important respects, the Party's regulation of prices from 1934 to 1937 differed in quality from that of 1927-8. In the first place, there was a steady build-up of controls in 1935-6, apparently impelled by the realization that existing arrangements were not preventing 'absolutely unjustified' price rises,² and by the national emergency of the Ethiopian invasion. A factor which had made the 1927-8 price regime less effective was the time-lag between changes in wholesale prices and corresponding changes in retail prices. So the intersyndical committees were made responsible in May 1935 for fixing the wholesale as well as the retail prices of the basic and most consumed foodstuffs and goods. They also started compiling 'indicative' price lists on other goods, as a guide to the consumer and pointer to the shopkeeper, which in effect was little more than publicizing the best prices available locally. From December 1935, the central 'committee of vigilance on prices', located in the PNF's national directorate, determined the wholesale prices of goods of popular consumption and required the provincial *comitati intersindacali* to align retail prices with these.³

In line with these developments, the organizational net spread wider and tighter. By early 1936, even official prices of grain, obviously crucial to the cost of flour, bread and pasta, were rising from month to month, amid fears that with evidence of growing speculation on grain supplies, the whole grain market was out of control.⁴ From this point, there were regular inter-provincial and inter-regional PNF meetings and soundings to iron out price differentials on the same products in neighbouring provinces, arising from the fact that provinces were often either producers or consumers, 'importers' or 'exporters' of the various products. In February the *federali* of the big cities of the 'industrial triangle' of Turin, Milan and Genoa agreed a common set of prices, then adopted by the *federali* of the provinces of the surrounding regions of

1. ACS, *DPNF*, pacco 3390, 'FD 1932-4', *Foglio* no. 258, 16 June 1934.

2. ACS, *DPNF*, pacco 340, 'FD 1934-36', *Foglio* no. 337, 3 Apr. 1935.

3. ACS, *DPNF*, pacco 340, 'FD 1934-36', *Foglio* nos. 405, 456, and 514, 19 May, 15 Sept., and 18 Dec. 1935.

4. ACS, *DPNF*, pacco 340, 'FD 1934-36', *Foglio* no. 533, 24 Jan. 1936.

Piedmont, Lombardy and Liguria. Similar price-lists covering whole regions also appeared for Tuscany and Emilia.¹

Step by step, the PNF was, in fact, moving towards the national regulation of the grain market, attempting to control the production and supply of grain and the costs at each stage of the process which took the grain from the field to the baker's shop. From March 1936 the obligatory requisitioning and stockpiling of cereals was introduced, in an effort to bypass the volatility of the market and to guarantee adequate supplies at stable prices. Intersyndical committee members sat on the boards of the provincial *ammassi* (official grain stores), and the local PNF was to ensure that farmers actually sent their grain to the government pools. Together, the intersyndical committees and the *ammassi* were meant to manage the provisioning and pricing of the most basic of primary materials and its processing and distribution as bread and pasta. New emphasis was given to the committee's role in negotiating and overseeing the application of agricultural share-cropping and tenancy contracts, for fear that any violation of them might be felt in higher costs of production. Similar attempts were also made to intervene at the earliest possible stage of the economic cycle in dairy production, with the Party extending its action to checking the annual contracts for milk used in cheese-making.²

This incremental expansion in the range of the Party's interventions in economic life was based on the growing realization that the only effective way to direct sectors of the economy outside or against the market was to control or co-ordinate *everything*. Controls engendered the need for yet more controls, and the *de facto* extension of the Party's pricing regime was eventually endorsed in the decree law of October 1936, which gave the central committee of vigilance on prices and the intersyndical committees the power to control prices of *all* goods up to a maximum of the September 1936 levels, and to implement a two-year freeze on rents and tenancies and on utilities and transport charges. Only these Party bodies could allow rises above the declared price ceiling.³ The currency devaluation was obviously the immediate reason for the law. But giving Party organs statutory control over prices, now regulated with the force of law, was another qualitative change to the 1927–8 price regime. It formally aggregated and recognized the Party's steady accumulation of economic controls over prices, employment, and labour relations. When coupled with the PNF's campaign for national production towards the realization of autarchy, which took off during the period of the Ethiopian invasion and international sanctions, the

1. ACS, *DPNF*, pacco 340, 'FD 1934–36', *Foglio* nos. 548, 550, 638, and 690, 5 Mar., 9 Mar., 30 Sept., and 5 Dec. 1936; 726, 744, 746, 752, 26 Jan., 13 Feb. 16 Feb., and 25 Feb. 1937.

2. ACS, *DPNF*, pacco 340, 'FD 1934–36', *Foglio* nos. 553, 613, 615, 616, 617, 630, and 632, 12 Mar., 14 July, 18 July, 20 July, 23 July, 17 Sept. and 19 Sept. 1936.

3. ACS, *DPNF*, pacco 340, 'FD 1934–36', *Foglio* no. 644, 8 Oct. 1936.

decree allowed Starace, with understandable exaggeration, to depict the Party as the motor of the planned economy.¹

In a frantic burst of activity, the central and provincial Party committees moved to regulate more comprehensively the olive oil and dairy products markets as they had done previously for grain, and issued a constant stream of price-lists, not only for basic consumer goods, but now also for soap, wood, paper, leathers, metals, fertilizers and so on. Finally, as a concrete sign of its national economic remit and the priority it gave to defending the living standards of ordinary people, the central committee of vigilance on prices decided to produce and publish, fortnightly, single nationally applicable prices for the basic food and fuel needs of the bulk of the population.²

As was to be expected, it proved impossible to freeze prices at the levels of autumn 1936. Both wholesale and retail prices continued to rise during the period of the Party's price controls, accelerating in 1936-7.³ The Party's own documentation could not disguise the fact that its price controls probably only held back prices temporarily. The central committee's meetings in early 1937 approved rises on goods whose prices it had set barely a few months before, strengthening the impression that it was simply registering rather than restraining increases. Some rises could justifiably be put down to the impact of higher import prices and changes in the exchange rate. But there were signs of the usual distortions of an intended watertight system of controls which undermined the system itself, as well as malfunctioning of the apparatus of controls. The Party condemned hoarding by both consumers and traders, applying Party and legal sanctions against the latter. *Federali* were warned about the speculative acquisition of goods at higher than official prices, and even about their use of pricing powers to safeguard consumers and producers in their own provinces at the expense of those in neighbouring areas.⁴ These instances of 'autarchies in autarchy'⁵ were understandable enough in the light of the kind of straitjacket imposed by a system of price controls: in Naples, the local pasta-making industry was badly hit by an unfairly low uniform national price which failed to allow for the 'export' of the bulk of production to the rest in Italy. In the Sicilian province of Ragusa, the *federale* vainly requested the replacement of the head of the local *ammasso*, also leader of the farmers'

1. See Toesca and Binello, *Il Partito nella vita economica italiana*, pp. 144-8. The party's autarchic campaign is not handled in any depth here, and deserves separate treatment as a test of 'totalitarian' mobilization.

2. ACS, *DPNF*, pacco 340, 'FD 1934-36', *Fogli* nos. 645, 649, 663, 678, 687, 690, and 697, 9 Oct., 13 Oct., 1 Nov., 21 Nov., 1 Dec., 5 Dec., and 19 Dec. 1936; pacco 341, 'FD 1937-39', *Fogli* nos. 715, 746, and 785, 15 Jan., 13 Feb., and 5 Apr. 1937.

3. Toniolo, *L'economia dell'Italia fascista*, p. 295; L. Rosenstock-Franck, *Les étapes de l'économie fasciste italienne. Du corporatisme à l'économie de guerre* (Paris, 1939), pp. 152-8.

4. ACS, *DPNF*, pacco 341, 'FD 1937-39', *Fogli* nos. 706, 736, 746, and 792, 2 Jan., 5 Feb., 16 Feb., and 12 Apr. 1937.

5. V. Zincone, 'Dati e considerazioni sul controllo dei prezzi', *Critica Fascista*, 1 Jan. 1938.

syndicate, who connived at his fellow farmers' bypassing of the requisition scheme, hence undermining the intersyndical committee's efforts to maintain the supply and official price of grain. Unable to detect who was not abiding by the official prices and how they were doing it, the Reggio Emilia *federale* upset local traders by ordering on-site inspections of food stores and depots. The Party's supposed impartial balancing of shopkeeper and consumer interests often meant little more than dissatisfying both sides equally. Market traders in Milan reportedly blamed lower profits and unsold produce on the 'inexpert' price setting of the intersyndical committee, while workers complained that inadequate price controls were allowing price rises to erode their wage increases, a common lament also in Genoa, where the Party's action on prices was written off as a 'dead letter'.¹

The PNF had only just reached the position in which it could claim to be the fulcrum of the country's economy, when its economic and welfare empire was suddenly dismantled. In April 1937 the pricing functions of the Party's central committee of vigilance on prices and the intersyndical committees were transferred to the State's central and provincial corporative organs, respectively the central corporative committee (*comitato corporativo centrale*) and the provincial economic councils. After successive changes of title these latter were now called provincial councils of the corporations (*consigli provinciali delle corporazioni*). This reorganization involved more than the transfer of price regulation, however. The provincial councils of the corporations also assumed the labour relations role of the intersyndical committees in the negotiation and application of collective labour contracts. The governing committee of the council was headed by the prefect, not the *federale*, who was now a member along with representatives of the workers' and employers' associations. It was in other words, the formal suppression of the Party's intersyndical committees, and acknowledged as such by Starace. At practically the same time, the Party's welfare functions passed to the local authorities' *Enti comunali d'assistenza*.²

It is still difficult to fathom exactly why the intersyndical committees were formally abolished in April 1937. The perceived ineffectiveness and unpopularity of the PNF's price controls, offending shopkeepers and consumers alike, may well have precipitated the decision to vest these powers in apparently more expert and proficient 'technical' state bodies. The official reason was that, as in 1927–8, the Party had simply exhausted or completed the initially sensitive and difficult 'political' phrase of the implementation of a prices policy. It had assumed statutory price

1. Naples report, 9 Apr. 1937, Ragusa *federale*'s report to PNF Vice-Secretary, 10 July 1936, R. Emilia *federale*'s report, 6 Mar. 1937, Milan report, 20 Mar. 1937, Genoa report, 19 Jan. 1937, in ACS, *PNF SPEG*, b. 9, 'Napoli', b. 16, 'Ragusa', b. 18, 'R. Emilia', b. 7, 'Milano', b. 1, 'Genova'.

2. ACS, *DPNF*, pacco 341, 'FD 1937–39', *Fogli* nos. 802, 804, and 807, 30 Apr. 4 May and 10 May 1937.

controls at a particular pressure point, the currency devaluation of October 1936, and now that the system of market regulation was up and running and the crisis passed, controlling prices was once again purely a 'technical-economic' operation, which no longer required the party's moral 'appeals to personal and patriotic virtues'.¹ This at least fitted the pattern of the Party taking on and then handing over economic controls, confirmed by the PNF's resumption of responsibility for prices in wartime between July 1941 and January 1942.

However, when in 1928 the Party lost its pricing role, the intersyndical committees continued to function. The significant difference in 1937 was that the PNF was formally removed altogether from direct and concrete involvement in economic and welfare issues, with the suppression of its agencies working in these areas. The Party's giving up control in any sphere was hardly in Starace's scheme of things in the 1930s. Quite the reverse; Starace headed a predatory and invasive 'totalitarian' organization which aspired to control everything and everybody. The PNF national directorate's gloss on the regime's now official policy of autarchy in November 1938 was a scarcely disguised rationale of the role the Party could play in a controlled and mobilized economy requiring the 'utilization and integral realization of all national energies and resources in order to make the country economically powerful'.² The provincial Party's 'capillary' organizational structure of zones, districts, nuclei and sectors, together with the sectoral organizations it ran or controlled, like the women's *fasci* and the syndicates, were both the reason for and the outcome of the PNF's claim that it alone of the regime's institutions was capable of making a policy felt at all levels of the country's society and economy. This was how the PNF justified its presence in Italian life before and after April 1937.

In this light, the Party's formal exclusion from economic matters in 1937 probably had a deeper reason than the merely conjunctural one suggested in official sources. As Aquarone indicates,³ it was more likely that the decisions taken in 1937 were an attempt to resolve definitively the conflict between Party and state authority in the corporative arena, specifically over what form the provincial corporative body should take. At each stage of the halting and piecemeal establishment of corporative structures between 1929 and 1935, the whole issue was aired at the top levels of Party and government, and it was clear that no firm decision could be taken because of continuing differences of opinion and jurisdiction between the PNF and the state ministries, and among the

1. Zincone, 'Dati e considerazioni sul controllo dei prezzi'; R. De Felice, *Mussolini il Duce*, II. *Lo stato totalitario, 1936–1940* (Turin, 1981), pp. 18–23; Toesca and Binello, *Il Partito nella vita economica italiana*, pp. 153–6; briefing reports for the Cabinet meeting of 16 Apr. 1937, in ACS, *PCM, Atti*, 1936–37, b. 75, 'Corporazioni'.

2. ACS, *DPNF*, pacco 341, 'FD 1937–39', *Foglio* no. 1190, 18 Nov. 1938.

3. Aquarone, *L'organizzazione dello stato totalitario*, pp. 217–9.

economic ministries themselves. Schemes were hatched for incorporating the intersyndical committees into the then provincial economic councils, leaving open the real question as to who should preside over the new body, the prefect or the *federale*, in the search for a formula which would reconcile the prefect's overall authority and control as 'head of the province' with the party's 'political' role in syndical and labour relations matters.¹ The inflation of early 1937, which marked the Party's apparent failure to restrain prices, was the occasion for settling this long-running conflict in the favour of state organs and authority. The provincial economic councils, now with their new corporative label, had very much come from behind in the race. The improvised *de facto* Party bodies, the *comitati intersindacali*, had dominated their *de jure* rivals for a decade, and intervened concretely and decisively in economic life. Perhaps it was not coincidental that in October 1937, another major area of long-standing Party-State competition and conflict, over the control of youth organizations, was decided in favour of the PNF, which unified all such groups, including the Education Ministry's *Opera Nazionale Balilla*, in the *Gioventù Italiana del Littorio*. The PNF always saw its position in economic life and the corporative order as an 'educative' one, impressing on class-based and sectional interest organizations the principle of class collaboration. But the loss of its economic and welfare roles, when put alongside the strengthening of its control over the organization and indoctrination of children and young people, represented a refocusing of the PNF on its core 'political' mission in the Fascist regime.

There was some evidence to suggest, in any case, that after April 1937 the national and provincial Party continued to perform the role in economic life which it had previously exercised through the intersyndical committees, mediating in individual labour disputes, overseeing the recruitment and employment of labour for agricultural harvests, negotiating inter-union agreements for the relief of seasonal unemployment and the conversion of day labourers into share-croppers. Following the authorization of *fiduciari di fabbrica* in October 1939, the *federali* were instructed to convene regular meetings of the workers' and employers' unions for keeping a 'political' eye on firms and syndicates.² This was an intersyndical committee in all but name. In a fashion which was characteristic of its conduct in the late 1920s and 1930s, the PNF honoured the principle of the primacy and authority of state organs only to challenge and undermine it in practice.

This study of the Fascist Party's intervention in the economy questions the assumption that the PNF was reduced to a kind of paralytic

1. Material on Grand Council and Cabinet meetings in 1929, 1930, 1931, 1934 and 1935, in ACS, *SPDCR*, fasc. 242/R, b. 30, 'Gran Consiglio del Fascismo', sottofasc. 7, inserti A and B, sottofasc. 8, inserti A and B., b. 31, sottofasc. 13, inserto A; and in ACS, *PCM, Atti*, 1929, b. 15, 'Corporazioni', 1931, b. 10, 'Corporazioni', 1934-36, fasc. 18-9-2526, 'Consigli provinciali dell'economia'.

2. ACS, *DPNF*, pacco 341, 'FD 1937-39', *Fogli* nos. 812, 813, and 863, 21 May, 22 May, and 6 Sept. 1937; 1008, 1102, and 1117, 13 Mar., 26 June and 16 July 1938; 142, 1 Oct. 1939.

impotence after and as an intended consequence of its reorganization and subordination to state authority in the late 1920s. Certainly, the intention and effect of Party Secretary Turati's purge and reshaping of the PNF between 1926 and 1930 was the loss of any vanguard political role.¹ But the Party changed its functions in the Fascist State, rather than being deprived of its *raison d'être* altogether. It became the executor if not the initiator of policy decisions, bearing and implanting the State's will in the population at large through a widening network of organizations involving youth, women, leisure, culture, sport, welfare and the economy, which were meant to control and indoctrinate ever larger and more diverse groups of people. The job of 'fascistizing' the nation made the Party the single most important institution of the Fascist State, if only because this role was essential to the permanence and perpetuation of Fascism beyond the life-span of Mussolini.

The PNF did not apparently have a part in deciding on the deflationary financial policies pursued from 1926 to 1936, and on the currency devaluation which followed. It was called on to implement these policies and to deal with their effects. The Party's 'capillary' organizational structure was the means and justification for such a role, and the performance of this role in turn refined and extended the Party's controls over Italian society. The execution of economic policy gave the Party the opportunity to wield real power and authority at the provincial level, exploiting the often considerable room for manoeuvre left between national and local labour agreements in such a way as to control the syndicates, labour relations and employment, especially in agriculture.

The Fascist government's economic policies often seemed to evolve in an *ad hoc* way, as improvised responses to the successive economic crises of *lira* revaluation and depression, at least until the preparation for the Ethiopian invasion of 1935-6 and the more or less conscious gearing of the economy to autarchy and war which gave some sense of direction and purpose to economic measures. The PNF was one of the agencies through which control and regulation of the Italian economy was attempted, its presence in economic life ensuring that economic affairs were given an explicitly Fascist political imprint. Unemployment, wage and price levels were obviously 'political' matters because of their effect on public order and popular support for the regime. But more generally, the PNF gave a Fascist tone to its intervention in the Italian economy, since the intersyndical committees were the embodiment in composition and conduct of the class collaborationism and 'productivism' which reputedly lay at the heart of the Fascist corporative order.

We still know relatively little about how the Fascist corporations operated, and their part, if any, in economic policy-making and

1. See P. Morgan, 'Augusto Turati', in *Uomini e volti del fascismo*, ed. F. Cordova (Rome, 1980), pp. 489-507.

planning of production.¹ This study exposes something of the vacuousness and irrelevance of corporative organizations proper, because it was clear that up to and beyond the creation of corporations in 1934, the Party's intersyndical committees were acting in areas which should have been occupied by the State's corporative bodies at the provincial level, the provincial economic councils. The *de facto* Party body had literally supplanted the *de jure* state body. Some *federali* thought that the intersyndical committees lacked clout and legitimacy because they operated without a defined legal status, though this was really an excuse for their own lack of energy and resourcefulness in promoting the committees as the arbiters of provincial economic life. The point was that the PNF through the intersyndical committees attempted to 'fascistize' provincial economic activity unconstrained by and indeed liberated from any legal validation or formal demarcation of tasks and responsibilities. This was precisely the kind of 'totalitarian' free role which the Party had aspired to and to some extent practised up to the PNF's subordination to the Fascist state in the mid-1920s.

The operation of the intersyndical committees therefore suggests the need for a reassessment of Party-State relations during the Fascist regime. The primacy of State over Party, and the separation of their respective roles and responsibilities in the Fascist regime, were apparently fixed during the mid to late 1920s, the period when the basic structures of the Fascist regime were erected. Mussolini's famous circular to the prefects of January 1927 reiterated that the State's functionary, the prefect, was 'head of the province', with whom the Party had to 'collaborate in a subordinate fashion'.² Party Secretary Turati's purge of old Fascists and their provincial leaders, and internal organizational reforms dismantling the style and methods of the extremist Party which had dominated many provinces in northern and central Italy, were intended to equip the PNF for its service of the Fascist state. But as the experience of the intersyndical committees showed, Party-State conflict and competition persisted. At the governmental level, further corporative reform was delayed partly because of continual wrangling and disagreement between the PNF and the economic ministries over whether bodies run by the prefect or the *federale* should prevail. In the vacuum created by this continuing indecision at the centre, the PNF's intersyndical committee won out over its prefectural rival and effectively became the regime's provincial corporative organ. Even after the contest was apparently settled in the state body's favour in 1937, the Party went on intervening

1. There are critical contemporary judgements in G. Salvemini, *Under the Axe of Fascism* (London, 1936), and in Rosenstock-Franck, *L'économie corporative and Les étapes de l'économie fasciste italienne*. See also S. Cassese, 'Corporazioni e intervento pubblico nell'economia', *La formazione dello stato amministrativo* (Milan, 1974), and A. Predieri, 'L'organizzazione corporativa dello stato e la Toscana', *La Toscana nel regime fascista*.

2. See Morgan, *Italian Fascism*, pp. 84–5.

in labour relations and employment issues, as if the final decision had not been made.

The formal subordination of Party to State in the late 1920s would suggest that power and authority passed from Party and Fascist organizations to state bodies, a transfer with the likely effect of stalling the 'fascistization' of Italian society. To take a small concrete example from this study, employers disliked the whole idea of obligatory employment offices as a limitation of their 'right' to hire and fire as they wanted. But they thought that they had less to fear from provincial offices which were the responsibility of the prefect rather than the *federale*. We certainly need to know more about the balance of relations between *federali* and prefects in individual provinces during the 1930s, and the outcomes of the conflicts and competition which occurred between them over, for instance, the exercise of law and order functions, and appointments to provincial and local posts. But there is enough in the Party's involvement in provincial economic life to indicate that it was and remained an influential political 'player' at the provincial level, and that the formlessness and institutional anarchy which we associate with the Nazi system of rule in Germany, expressed in a competitive jungle of overlapping and rival Party and state agencies, may also be an appropriate way of characterizing the workings of the Italian Fascist regime in the 1930s.

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