

# Italian Fascist Trust Gets Huge Windfall

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## Allies Letting Montecatini Hold Mil- lions in Nazi Materials

JOHN MECKLIN  
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BOLZANO, Italy, Jan. 15.—The Allied Commission for Italy appears to be on the point of making what amounts to an outright gift of millions of dollars' worth of captured Nazi material to the vast thoroughly Fascist Montecatini industrial empire.

Documentary evidence on the affair, which appears to violate the specific order of the Allied Forces Headquarters, is incriminating that the word "dishonest" already has been used in an official communication concerning it.

That was three weeks ago. As this is written, there is no indication that the deal has been or will be cancelled.

### Italian I. G. Farben

Like the empire of the notorious I. G. Farbenindustrie, which flourished in Germany under the Nazis, the Montecatini corporation worked its way into every corner of the Fascist economy, dealing particularly with aluminum, chemicals, engineering and, above all, hydroelectric power.

After Marshal Badoglio's surrender in 1943, the site of the new power plant Montecatini was building at the village of Castelbello near here was requisitioned by the Nazi Todt Organization, which turned it into one of the largest machinery and raw material dumps in northern Italy.

When Germany collapsed last April, the Montecatini overlords negotiated a phony deal with the Todt representatives still on hand, under which Todt Organization "gave" to Montecatini all German-owned materials in the dump in part payment for war damages.

### Belongs to Allies

Under the agreement the materials were given in return for a ridiculous reduction of 885,000 lire in Montecatini's claim for more than 3,000,000 lire of unpaid rent, electricity, water and similar maintenance costs at the Castelbello dump.

The deal is illegal, first, because the materials involved were, and still are, Allied war booty and therefore not the Todt Organization's to give; and, second, because a specific order of the Allied Forces Headquarters has forbidden the use of war booty for payment of Italian claims against Germany.

The unit of Captured Enemy Materials (CEM) section of the Allied Commission, headed by 1st Lt. John S. Nardini, examined the situation and declared the Todt deal illegal, made an inventory of German-owned property at Castelbello and began late in November to remove it to captured enemy materials dumps.

That was when things really got complicated.

Nardini received a telegram

from the Allied Commission's CEM office in Milan ordering him to halt the removal of Castelbello materials, because they had been turned over to Montecatini.

Nardini wrote to the Milan office saying that under the Allied Forces Headquarters order such turnover was illegal.

British Capt. R. A. Davies of the Milan office replied that Nardini was right and that removal of the materials should be resumed. The next day Davies telephoned Nardini and told him to ignore the letter and in no circumstances to remove any more materials from Castelbello.

Nardini referred the matter to British Maj. I. S. Drew, chief of the Milan CEM office. British Maj. T. I. Roworth from the Rome CEM office, stopped at Bolzano shortly afterward and at Nardini's request examined the whole situation.

On Dec. 18 Roworth wrote to Drew recommending that the order releasing the materials to Montecatini be rescinded and the entire question reconsidered, because "there is a suggestion of dishonest dealing."

Despite Roworth's letter there has been no change in the situation. So far as is known here, the materials are now the official property of Montecatini. There has been no attempt at an explanation of any sort.

No figures are available of the real worth of the materials the Todt Organization "gave" for 885,000 lire, but it runs well into millions of dollars; 885,000 lire, on the other hand, are worth only \$8850 at the fixed rate—about one-third that at the real value of the lire.

Nardini's inventory of the material covers 26 typewritten pages. Among the items involved are such unobtainable things as 60 miles of heavy duty power cable, four complete cable railways, and 622 huge electric transformers... items which in postwar Italy are worth their weight in diamonds.