General Journ

RESTRICTED

# OFFICE OF STRATEGIC SERVICES Research and Analysis Branch

R & A No. 2500.14

GERMAN MILITARY GOVERNMENT OVER EUROPE: ITALY

# Description

An examination of the nature and extent of German administrative control in Italy.

16 November 1944

### RESTRICTED

This study is Part Three, Section Four, III, of the series

### GERMAN MILITARY GOVERNMENT OVER EUROPE

the outline of which is as follows:

Part One. Principles and Methods of German Military Government over Europe

#### Part Two. German Controls in Occupied Europe

- I.
- II.
- III,
- IV.
- The German Army in Occupied Europe
  The SS and Police in Occupied Europe
  Military and Police Tribunals in Occupied Europe
  The Nazi Party in Occupied Europe
  Technical and Economic Troops in Occupied Europe
  Economic and Financial Controls in Occupied Europe VI.
- Labor Controls in Occupied Europe Propaganda in Occupied Europe VII.
- VIII.

### Part Three. The German Occupation of Individual Regions

### Section One. Areas of Military Administration

- Belgium
- II. France
- III. Greece

### Section Two. Areas of Civil Administration

- The Netherlands I,
- II. Norway
- Ostland and the Ukraine III.

### Section Three. Appended Territories (Nebenlander)

- The Protectorate of Bohemia -Moravia
- The General Government II.

### Section Four. Satellite States

- I. Albania
- II. Denmark
- \*III. Italy
  - Slovakia IV.
  - V. Yugoslavia

### Section Five. Annexed Territories

- I. Alsace, Lorraine, Luxemburg, Eupen, Malmédy, and Moresnet
- II. The Polish Borderlands

# ITALY

# TABLE OF CONTENTS

		Page
Α.	Introduction: Types of German Control in Italy	1
В.	Military Administration	2
C.	Satellite Administration: the Italian Social Republic	4
	<ol> <li>Establishment of the Fascist Puppet State</li> <li>The Transfer of Formal Authority</li> <li>The Persistence of German Control</li> <li>German Economic Intervention</li> <li>Industry: the German Ministry of         <ul> <li>Armaments and War Production</li> <li>Agriculture</li> </ul> </li> </ol>	4 4 5 6 6 7
	c. Manpower	6 7 7 8
D.	Administration by Reich High Commissioners: the Northeastern Provinces	9
	1. The Establishment of Operational Zones 2. The Administration of the Operational Zones a. The High Commissioners b. The Executive Power (1) Provincial Administration (2) The Police c. Legislation (1) The Cisalpine Territory (2) The Adriatic Littoral d. The Judiciary (1) The Cisalpine Territory (2) The Adriatic Littoral e. Economic Control	9 11 11 11 12 13 13 13 14 14
	e. ECOHOMIC COMPLOT	74

### III. ITALY

### A. INTRODUCTION: TYPES OF GERMAN CONTROL IN ITALY

Although German representatives exerted considerable influence on Italian internal administration throughout the period of Italy's participation in the war, opinions differ as to the precise extent of German interference in Italian affairs prior to Italy's military collapse in September 1943. It is generally recognized, however, that after that date the Germans enjoyed preponderant control in all parts of Italy not yet liberated by the Allies. German military government in Italy, or control which was tantamount to such, may thus be said to have dated from the collapse of Italy as an independent belligerent.

German control in Italy did not follow a uniform pattern. The type of control used varied from region to region to fit the military, economic, and administrative needs of the Nazi armed forces and government. In general, however, three main types of control were clearly distinguishable: military administration, satellite administration, and administration by Reich High Commissioners.

Military administration, in which the bulk of the legislative and executive powers were wielded by the German military commanders, appears to have been introduced throughout German-controlled Italy immediately after the armistice. With the formation of the Fascist puppet government in the autumn of 1943, its application was greatly curtailed. In all probability, however, it continued to be used in areas immediately behind the fighting front, and possibly in rear zones of military importance.

Satellite administration, in which administration was entrusted to a native government while the German Army Commanders refrained from direct interference in political

matters, prevailed after September 1943 in areas which were remote from the fighting front and nominally under the jurisdiction of the Republican Fascist Government.

Formally and ostensibly this jurisdiction was recognized even where the German Army acted as the agents of German control.

A special type of administration, involving supervision of the native administration by German Reich High Commissioners, was used in several provinces of Venezia Tridentina, Veneto, and Venezia Giulia. The administrative arrangements in these provinces, which were apparently earmarked for eventual incorporation into the Greater German Reich, amounted practically to German annexation.

#### B. MILITARY ADMINISTRATION

In the first weeks after Italy's capitulation to the Allies (announced 9 September 1943), German administrative controls were established throughout Italy in a form closely resembling outright military government. Assumption of extensive powers by the military commanders in the Rome and Milan areas enabled the Germans to assert their authority over civil administration and to seize direct control of transportation, production, and manpower allocation.

Institution of virtually outright military government was announced only four days after the armistice (12 September) in a proclamation by Marshal Kesselring, German Commander in Chief in the South. "Italian territory under my jurisdiction is declared a zone of war, in which German military law is valid... Administrative ministers and judicial authorities are to carry on their duties.... Italian authorities and civil organizations are responsible to me for public order..." I/ Other decrees of the German commanders

ordered the surrender of arms, imposed penalties for sabotage or disobedience, and instituted new regulations for the maintenance of order. In the Rome area an indirect type of military control was immediately set up with the cooperation of the Italian commander, General Calvi di Bergolo.

In Northern Italy administrative authority seems at first to have been divided between the German military commander and the German Consul General in Milan. A decree issued 30 September 1943 by the German general in command of Northern Italy, "in accordance with the powers conferred...by the German High Command," emphasized the extent to which the Germans had assumed responsibility throughout the area. It provided that (1) laws and decrees in force up to 8 September should remain in effect, provided they did not prejudice the interests of the German Forces; (2) all state and communal authorities and public service offices and organizations must resume their activities, maintaining an attitude of loyalty to the German Armed Forces; (3) certain salaries and pensions should continue to be paid; (4) civil lawsuits should remain within the competency of the Italian courts, which, however, were denied jurisdiction over crimes not committed by inhabitants of the country, or committed "against the decrees or any other regulation issued for the safeguarding of the German Armed Forces"; (5) in case any public service authority, office, or organization was unable to continue functioning, the prefect should make other arrangements for the performance of its duties; (6) "the very closest collaboration" should prevail between local authorities (and public service offices in their jurisdiction) and the German military Garrison Commands, who were to give them "the necessary instructions and guidance." 1/

<sup>1/</sup> Italian Home Service Radio, 30 September 1943.

# C. SATELLITE ADMINISTRATION: THE ITALIAN SOCIAL REPUBLIC

### 1. Establishment of the Fascist Puppet State

While the German Army was establishing <u>de facto</u> control throughout occupied Italy, an Italian puppet regime, nominally headed by Benito Mussolini, was being thrown together under German sponsorship. Formation of an Italian Fascist council of ministers was announced on 22 September 1943, and formal installation of the new "Fascist Republican State" followed one week later. A Fascist Party assembly held at Verona on 15 November officially declared the fall of the monarchy and proclaimed the "Social Republic" headed by Mussolini.

### 2. The Transfer of Formal Authority

As this neo-Fascist state consolidated its position, the German occupation authorities were able to withdraw to the background, exercising control to an increasing extent through native Italian authorities and organizations. Many of the more unpopular functions of the government, such as policing, were shifted primarily to the neo-Fascist administration. The German military leaders were able to disclaim responsibility for food shortages, labor difficulties, monetary inflation, and other wartime inconveniences. In certain cases they were even able to intervene as moderators between the Italian people and the harsh and incompetent Mussolini government. At the same time German civil officials tended to replace the military in guiding the actions of the Italian authorities.

A Transocean dispatch of 31 October 1943 clearly described this process:

German policy is aimed at re-establishing systematically and step by step the sovereignty of the Fascist Republican Government in every field.... The chaotic situation which Mussolini's government found when it returned forced the German military authorities, for the time being, to deal

with the question of order and administration themselves. This also explains the number of drastic measures, such as the confiscation of estates and large farms and the radical economic measures, which the German military authorities had to take to prevent the destruction of property and acts of sabotage... All these measures will be abolished step by step as the Italian administration begins to function again.... The courts, the financial authorities, taxation offices, and the entire school and hygienic systems are already under the exclusive control of the Italian Government. The most convincing indication that developments are taking this course is the restoration of the Italian Armed Forces, the Militia, and the Police. The liaison authority between the German Armed Forces and the Italian Government...is not the German High Command in Italy, but the Reich Plenipotentiary for Italy, Minister Rudolf von Rahn, and the German Military Attaché. 1/

### 3. The Persistence of German Control

Notwithstanding the Germans' official transfer of responsibility to their Fascist allies, they continued to hold ultimate control throughout occupied Italy and to exercise direct control wherever necessary. So far as is known, there was no explicit delimitation of authority as between Germans and Fascists. The Germans, however, seem to have tacitly reserved the right to intervene in all matters affecting the welfare of the German armed forces and the war effort. This right enabled them to assert their influence in practically any direction.

There appears to have been no limitation on Gestapo operations in Italy, and German authorities participated in the settlement of nearly all strikes and labor disputes. Sources interested in maintaining the fiction of Italian independence stated that the Germans were not legally entitled to conscript Italian labor for service in the Reich, but could only call for volunteers; the neo-Fascist government also declared officially that no Italian in Italy could be sentenced by any non-Italian court. There is no evidence, however, that the Germans felt themselves limited by any such statement, made either by the neo-Fascists or by themselves.

· · · · · · · · ·

<sup>1/</sup> Transocean, 21 October 1943 (News Digest #1279).

Furthermore, the weakness and incompetence of the Fascist central authority forced the local German military commanders to continue to play an active administrative role. Numerous reports described the tendency of local Fascist authorities to lean on the nearest German garrison commander for advice and aid, and on all important problems to deal directly with the German military rather than consult the puppet government.

The neo-Fascist government, which owed its very existence to the presence of the Nazi Armed Forces, was in no position to resist German encroachments. The only real limitation on Nazi control derived from the frequent refusal of the Italian people to collaborate with the neo-Fascists and their German overlords.

### 4. German Economic Intervention

More Conspicuous than the action of German military commanders was that of special German representatives and missions in the economic field. Such special German agents generally represented a ministry or official agency of the Nazi government, and were frequently given military rank to facilitate their work. They appear ordinarily to have worked through Italian government agencies and bureaus, although apparently not directly attached to them.

# a. <u>Industry: the German Ministry of Armaments and War Production</u>

As early as 25 September 1943 the German Minister of Armaments and War Production (Albert Speer) appointed a special representative for Italy, with the general mission of gearing Italian industry to German wartime needs. Speer's delegate established headquarters at Milan and immediately issued a series of detailed regulations governing production and distribution in a number of important industries. In addition, he conducted conversations with

the representatives of several Italian economic organizations, with a view to effecting "the gradual adaptation of Italian economy to the conditions demanded by the present phase of the war. "1/ These functions appear to have subsequently been taken over in large part by Italian agencies.

### b. Agriculture

German military occupation brought with it German control and "coordination" of Italian agriculture in the interests of Axis Europe as a whole. Following upon various more or less haphazard inventories and requisitions of farm animals and products, a systematic registration of all cattle in the occupied region was undertaken in December 1943. A certain Baron von Elk, identified as Agricultural Administrator of the Rhineland Province, was appointed "Chief of the Agricultural Section of the German Military Administration in Northern Italy." One agricultural expert was assigned to each province to work under his orders.

A German newspaper in March 1944 revealed the presence in Italy of a small number of German "agricultural leaders" (Landwirtschaftsführer) attached to the Army with officer's rank, whose function was to "consult" with Italian agricultural officials and secure fulfillment of the requirements of European agriculture as a whole and especially those of the German Army. These officials were theoretically not authorized to give orders, interfere in administration, or relieve the "sovereign Italian state" of its responsibilities. Nevertheless it would appear that their "advice" was intended to have binding force.

# c. Manpower

German interest in capturing the reserves of Italian manpower was one of the main influences on social evolution

V Corrière della Sera, 15 October 1943 (News Digest #1274).

RESTRICTED

in enemy-controlled Italy after the armistice. Strenuous efforts to recruit Italian labor for the Reich coincided, and frequently competed, with attempts to regulate the allocation of manpower within Italy itself. The Todt Organization opened offices in all the large cities of Italy in October 1943, and German Labor Exchanges were set up to hire men for work in Italy or in the Reich. Although the Germans generally worked through Italian agencies such as the "National Commissariat of Labor," which was established in December 1943 to control labor conditions, salaries, and recruitment and movement of manpower, they frequently resorted to forced requisitions and kidnaping of manpower for work in Germany.

### d. Labor

Continued unrest in the industrial centers of Northern Italy forced the Germans to interfere repeatedly in the field of labor relations. German intervention occurred in connection with almost all North Italian strikes and labor disturbances after September 1943. The usual practice of German authorities was to pose as friends of Italian labor and protectors of the Italian workers against Fascist exactions. The personnel of factories working for the German war effort was frequently exempted from military drafts and granted other concessions, and the Germans appear to have been instrumental in securing wage increases on a large scale.

German intervention in its most conspicuous form occurred in connection with the strikes which tied up much of the industry of Milan, Turin, and Genoa during the second half of November 1943. A special delegation was sent to Northern Italy under SS Major General Georg Zimmermann, with the mission of "assuring peace and order by every means" and assisting the Italian authorities "in obtaining an

improvement in the food situation chiefly as it affects the workers."1/ Establishing headquarters in Turin, General Zimmermann and his deputy conferred with Fascist officials and with groups of workers on means of improving working conditions in the major industrial cities. As a result, large-scale ration increases were ordered and wages were increased up to 30 percent. Zimmermannalso seems to have been instrumental in setting up the National Commissariat of Labor as an over-all Italian agency for the settlement of labor problems.

# D. ADMINISTRATION BY REICH HIGH COMMISSIONERS: THE NORTHEASTERN PROVINCES

A special administrative status, clearly pointing toward eventual German annexation, was given to certain provinces in Northeastern Italy in the early autumn of 1943. These provinces included not only the former Austrian territories of the Trentino and Venezia Giulia, which were annexed by Italy at the close of the First World War, but also certain additional provinces (Belluno and Udine) which had belonged to Italy since 1866. Unlike the rest of German-controlled Italy, these regions were administered by German civilian officials who also held corresponding administrative posts within the Greater German Reich.

### 1. The Establishment of Operational Zones

As a basis for this direct type of administration the Germans established two special administrative or "operational" zones -- the "Cisalpine Territory" (Alpenvorland) and the "Adriatic Littoral" (Adriatisches Küstenland).

The Cisalpine Territory embraced the provinces of Bolzano and Trento (Italian since 1919) and the province of Belluno (Italian since 1866).

<sup>1.</sup> Gazzetita del Topolo, 2 December 1943 (News Digest #1313).

RESTRICTED

The Adriatic Littoral embraced the provinces of Gorizia, Trieste, and Pola (Italian since 1919), Fiume (Italian since 1924), and Udine (Italian since 1866), together with the Yugoslav territory of Lubiana (Ljubljana), the city of Sušak and surrounding territory, and the island of Krk (Veglia).

The administration of each of the two zones was headed by a High Commissioner who was at the same time Gauleiter of the adjacent administrative division within the Greater German Reich. The High Commissioner of the Cisalpine Territory, Franz Hofer, resided in Innsbruck and was also Gauleiter of the German (Austrian) Gau Tirol-Vorarlberg; the High Commissioner of the Adriatic Littoral, Dr. Friedrich Rainer, with headquarters in Trieste, was also Gauleiter of the German (Austrian) Gau Kärnten.

The two zones were completely detached from the rest of Italy and were administered to all intents and purposes as portions of German Reich territory. Frontier controls and customs barriers were established at the borders of the two zones, which could not be entered from Italy without a passport bearing a visa from the appropriate German military command. Military conscription was introduced by the German authorities in the Cisalpine Territory in April 1944 and in the Adriatic Littoral in July 1944. The Italian puppet government, on the other hand, was not allowed to recruit troops in either zone, and the activities of the Fascist Party were severely curtailed.

Nazi authorities in the two zones made a systematic effort to de-Italianize the inhabitants and to suppress every vestige of Italian culture. Although Italians constituted a great majority of the population in the Cisalpine Territory, and a majority of the population of

RESTRICTED

the Adriatic Littoral, the Germans introduced anti-Italian measures affecting every sphere of public and private activity. These measures ranged from curtailment of the Italian press and motion pictures to the outright suppression of Italian schools and discrimination against Italians in public offices and even in private concerns. In the Cisalpine Territory Italian culture and rights were replaced by German; in the Adriatic Littoral, where there was no substantial German population, Slavic interests were promoted at the expense of the local Italian population.

# 2. The Administration of the Operational Zones

### a. The High Commissioners

The High Commissioners enjoyed absolute civilian powers; all authorities, including the judicial, were under them. They issued decrees and legislative decisions, appointed prefects for the various provinces and German Advisers to the prefects, had the prerogative of granting pardons, and could annul all civil and criminal sentences.

### b. The Executive Power

Ultimate executive power rested with the High Commissioners of the Cisalpine Territory and Adriatic Littoral.

### (1) Provincial Administration

Within the two zones the Italian system of provincial and local government was retained, but with modifications which ensured German control.

The prefects were replaced by new and presumably more reliable appointees. Appointment practices differed somewhat in the two zones. In the predominantly German-speaking province of Bolzano (Cisalpine Territory) a German prefect, Peter Hofer, was appointed. In the Adriatic Littoral, on the other hand, the High Commissioner did not name German prefects but appointed Slovene and Croat

RESTRICTED

vice prefects to serve under the Italian prefects -allegedly with the object of relieving the strained
national relations prevailing in the area. In the Italianannexed areas of Ljubljana and Sušak-Krk, and possibly in
the province of Pola, the prefects themselves were apparently
either Slovenes or Croats.

More important than these changes of prefectural personnel was the appointment of German Advisers, whose duty was to act as representatives of the High Commissioners in the individual provinces. All administrative actions of the provincial prefects had to receive the advance approval of the German Advisers. Mayors of individual communes were appointed by the High Commissioners, acting through the German Advisers. In effect, the German Advisers were the real administrative heads of the provinces, and the prefects merely acted as figureheads. So far as is known, no German Adviser was appointed for the province of Bolzano, where the prefect was himself a German.

# (2) The Police

Information as to the organization or nationality of the state (rural) police is not obtainable, but it is likely that the administration of the state police was carried out by German SS agents.

The Italian city police was retained, at least in the Adriatic Littoral, but even the local police was subject to the control of German police commissioners.

### c. Legislation

The German Administration in the Cisalpine Territory and the Adriatic Littoral effected far reaching changes in the existing legal system. In the Cisalpine Territory German law replaced Italian law in certain instances; in other instances, and in the Adriatic Littoral generally, Italian law was valid only when it did not conflict with

subsequent orders issued by the Germans.

### (1) The Cisalpine Territory

In November 1943 the High Commissioner established at Bolzano a special court for the District (Kreis) of Bolzano, Trento, and Belluno, with jurisdiction over all cases involving German citizens or interests. It was expressly provided that this special court would apply the German law of the German (Austrian) Alpen and Donau Gaue. In effect this provision uprooted the Italian legal system which had been in force in Belluno since 1866 and in Bolzano and Trento since 1919.

New legislation was issued by the German authorities in the form of "wartime and economic laws" and regulations ostensibly designed to "ensure the supply of the front and homeland with all vital goods and those essential for the conduct of war."1/ On the other hand, laws passed by the neo-Fascist regime were invalid.

# (2) The Adriatic Littoral

A decree issued by the High Commissioner of the Adriatic Littoral in September 1943 preserved the validity of Italian law then in force, provided it did not conflict with subsequent orders issued by the Germans. 2/ Fascist legislation in force up to that time is believed to have remained valid. The neo-Fascist Official Gazette, in which all new laws and decrees were published, was not circulated, and the local press did not carry notices of neo-Fascist decrees.

#### d. The Judiciary

Measures were taken to make the courts of the Cisalpine Territory and the Adriatic Littoral independent

<sup>1/</sup> Innsbrucker Nachrichten, 27 April 1944 (News Digest #1441). 2/ Radio Littorale Adriatico, 17 March 1944 (News Digest #1400).

of the Italian judicial system.

# (1) The Cisalpine Territory

In addition to instituting the above-mentioned special court at Bolzano -- the decisions of which could not be appealed -- the Germans divorced the existing courts from the Italian judicial system. A decree of November 1943 established the Trento Court of Appeal as an "independent" court of appeal under the German name Appelationsgericht Trient. This court had jurisdiction over the "administration of civilian justice" for persons of Italian origin in the Districts of Bolzano, Trento, Belluno, and Rovereto (in the province of Trento).1/

### (2) The Adriatic Littoral

An order of the High Commissioner of the Adriatic Littoral prohibited judicial petitions to courts outside the zone. 2/ The effect of this regulation was to accentuate the separation from Italy, as it abolished the right to have recourse to the Italian Supreme Court (Corte di Cassazione) and the special Court of Accounts (Corte dei Conti). It appears, therefore, that the judgments of the local courts of first instance and the Trieste Court of Appeals were final, unless vacated or modified by orders of the High Commissioner. No judgment apparently could become final until it had the High Commissioner's approval.

### e. <u>Economic Control</u>

Information on German economic control is available only for the Adriatic Littoral, where stringent measures were applied, particularly in the agricultural field.

Although Italians were installed in a number of economic offices, they were subordinate to higher German officials.

<sup>1/</sup> Innsbrucker Nachrichten, 17 November 1943 (News Digest
#1301).
2/ Libera Stampa, 9 May 1944 (News Digest #1445).

The German Provincial Peasant Leader (Landesbauern-führer) of Gau Karnten, Reinhold Huber, held a key position in the Adriatic Littoral as Leader of the Agricultural and Forestry Section of the High Commissioner's headquarters in Trieste. Huber appointed the provincial agricultural leaders; those of Udine and Gorizia apparently were Germans.

The economic police and the suppression of the black market were directly subordinated to the German SS. The Supreme Commander of the SS (who was subordinate to the Gauleiter-High Commissioner) headed a newly organized Economic Police Force, with headquarters in Trieste. The functions of the Economic Police, which was recruited locally, were: (1) control of the State Pool and of the processing and distribution of foodstuffs, and measures against extortion; (2) prevention of unauthorized removal of goods from the zone; (3) control and enforcement of prices fixed by the competent authorities.