

**Fabio Ecce**, *Lucri di guerra. Le forniture di armi e munizioni e i "pescecani industriali" in Italia (1914-1922)*, Viella, Rome, 2017, pp. 288.

The First World War was, beyond doubt, a period of remarkable expansion and consolidation for Italian industry. The exigencies of total war compelled the Italian government to provide massive financial resources, mostly for the procurement of weapons, equipment and logistical services for the millions of soldiers deployed during the conflict.

How much did the Great War cost? Did the outlays ensure the efficiency of the armed forces and the survival of the civilian population? Between the summer of 1920 and the end of 1922, the Parliamentary Commission of Enquiry on War Expenditures was tasked with finding an answer to those two complex questions. As Fabio Ecce rightly suggests at the beginning of his book, the parliamentary investigation, strongly promoted by Prime Minister Giovanni Giolitti, had mostly political and moral implications.

During its work the Commission did bring to light the most glaring cases of embezzlement and wasteful spending that had allowed firms to pocket huge "excess profits" during the war. Yet, despite the "success stories" on this front, the money recouped was but a drop in the ocean of war expenses. The overriding goal was to determine the responsibilities of unscrupulous businessmen, military officers and civil servants, sometimes corrupt and often incompetent, and those of the politicians who had wanted the war but then proved unable to manage it efficiently.

The first task assigned to the thirty parliamentarians, led by Giulio Rodinò of the Catholic-inspired Italian People's Party, was to estimate the cost of the war. A difficult job, both because the cost had continued to grow after November 1918, and because, in addition to the expenses officially entered in the accounts of the ministries, there had been various extra-budgetary expenditures by military officers and institutions. Between the 1914-15 and 1919-20 budgets, registered expenditures amounted to more than 94 billion lire. With the next two budgets including major outlays for demobilization, the total rose to 133 billion

lire. Adding the expenses that were not officially registered, regarding which there was only partial information, the total soared, according to some estimates, to 250 billion lire.

During the enquiry, the Commission obtained access – often with some difficulty – to the documentation of the military and civilian offices. In this way it managed to create a vast archive, some of whose records were subsequently lost or are still held in inaccessible depositories. This documentation is of enormous historical value, and Ecca has used it with great care. In addition to this main source, he works with documents from other public and private archives (notably, the archives of the Presidency of the Council of Ministers).

The first section of the book covers the history of the Commission, from the initial phase of enthusiasm to the slowdown that ensued when its first chairman, Giulio Rodinò, retired, to the last bout of frenetic activity in the autumn of 1922, after Benito Mussolini, the new premier, imposed an “ultimatum” giving the Commission just one month to finish its work and turn in its reports.

Only a few of these reports were published in the Parliamentary Acts, but, among these, the subject of “excess profits” came up again and again. To fully comprehend this phenomenon, it is necessary to consider, for starters, the legislation passed during the months of Italian neutrality that allowed some government departments, including the War Office and the Admiralty, to evade audits and inspections by the financial committees of the State.

There were many justifications for this choice, above all the alleged need to “hurry”, a sort of password for General Alfredo Dallolio, the chief architect of Italy’s industrial mobilization. This urgency opened the way for inaccurate reports of the value of the orders, for the widespread practice of down payments to contractors, and for scant oversight of the quality of the goods supplied. The bureaucracy created to manage government procurement was slapdash (conflicting and overlapping competences were very frequent), often poorly organized and, sometimes, corrupt.

Only late in the war did the public administration create more efficient machinery for auditing and inspection, but not to any great effect. Even after the end of the conflict, the attitude towards military contractors was not particularly harsh.

An especially interesting case in point was the field of aeronautics, examined in the most original section of the book. It was a modern industry, with inputs from diverse sectors of production, including steel, mechanical engineering, the wood industry and chemicals. On the eve of the war, Italy's limited experiments in this domain concentrated on replicating foreign airplanes and engines, and expertise in project design was confined to a relative handful of men, many of them employees of the War Office.

Starting from 1915, we can identify some of the traits that marked the growth of aeronautics in Italy: the improvised – and often speculative – nature of many industrial initiatives and, more importantly, the propensity of firms to employ staff serving in the military, particularly in the Technical Directorate of the Air Force. This enabled businessmen to exploit their skills and also to influence the government's allocation of orders.

Although some of this story is already known, it serves as an introduction to the most revelatory part of Ecce's work: his exploration of the activities of the Interministerial Committee for the Settlement of War Industries, which operated during 1919 and was composed of civil servants and leaders of Italian business. The Committee's duties included selling raw and semi-finished materials and settling contracts that the military administration had stipulated but not concluded because of the end of the war (sometimes simple drafts or even unofficial deals).

The Committee was surely knowledgeable enough about business and the assessment of management costs, but the findings of the Parliamentary Commission make it clear that it showed far too much forbearance towards military contractors.

Ecce's careful case study of the enterprises in the field of aeronautics highlights the most common occurrences; for example, disproportionate

assessments in terms of the depreciation of factories that could readily have been converted after the war for civilian production. Similarly, he draws attention to the “clearance” sale to those same firms of valuable raw materials which the government had often purchased abroad at very high prices and which could have easily found other uses.

The topic of purchases in the international market comes up again in one of the last chapters of the book, which examines the work of the military mission, led by General Tozzi and, more importantly, the work of one of his subordinates, Major Perfetti. Tasked with supervising purchases of raw and semi-finished materials for the aeronautical industry, he agreed, without consulting his superiors, to such exorbitant conditions that the authorities in the United States reprehended him and intervened to get American firms to lower their demands.

The investigations of the Commission also focused on the outsized compensation that domestic firms received for contracts terminated due to the end of the conflict. The most notorious case, but certainly not the only one, was that of the ambitious project of the Caproni bombers, launched after the Italian rout at Caporetto by the new General Commissioner of the Air Force. There was also the unduly generous cancellation of the financial penalties imposed on firms for late shipments, even though, as remarked earlier, the military authorities insisted on the need for production to go at full throttle.

In the face of this phenomenon, the Commission of Enquiry, while reprehending the most fraudulent practices, essentially had to accept the “political” handling of the transition from a wartime to a peacetime economy, during which firms’ reconversion was liberally financed by the government. As Ecca observes, businessmen were entitled to a prominent place in the “the Italy of Vittorio Veneto”, a legend that the Fascists began to build even before their rise to power and the creation of the Fascist regime.

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