

THE ORGANISATION FOR THE MANAGEMENT AND LIQUIDATION OF PROPERTY

When the Commissioner for the liquidation of the EGELI, Ercole Marazza, at the end of his six-month mandate in December 1957, wrote that it was impossible to give any precise date as to the closing down of the organisation, given the complex nature of the tasks still to be carried out,¹ he certainly could not have foreseen that it would have taken forty years to complete all operations. The EGELI ceased to exist in December 1997, in compliance with the ministerial decree of 29 December 1997.

The organisation had originally been set up to acquire, manage and re-sell Jewish property following the promulgation of racial laws in 1938 and in particular rdl 126 of 9 February passed in 1939. Later in the same year, law 942/1939 of 16 June assigned all assets to the EGELI that had become government property after they had twice remained unsold at auction, carried out following tax collection procedures. When war broke out, the organisation also had to manage enemy property that was subject to sequestration as laid down by art. 20 of law 1994/1940 dated 19 December.

After 8 September and the installation of the RSI, the EGELI was transferred to the North of Italy and acquired additional assignments. Subsequent to the emanation of legislative decree 1/1944 of 4 January, all industrial and commercial businesses that had previously reported to the Ministry of Corporations were declared enemies of the government and were assigned to the EGELI. The second decree of the same date introduced harsher measures against the Jews and authorised the confiscation of all Italian and foreign property belonging to persons of Jewish race, which was then acquired by the EGELI.

The division of Italy in military and institutional terms meant that laws that were issued at the same time in the South were in contrast to those issued in the North, such as rdl 26/1944 of 20 January, establishing measures for the restitution of property to Italian and foreign citizens who had formerly been declared or considered to be of “Jewish race”.

In actual fact, enactment of the decree had been suspended as it had not been published in the *Gazzetta Ufficiale* for fear of further acts of retaliation against the Jews who lived in the areas under Nazi-Fascist administration. The issue was raised again with some urgency immediately after Rome was liberated where, moreover, a delegation of the EGELI with responsibility for Lazio and the central regions had continued its activities, even after the EGELI’s transfer to the North of Italy, as it owned some Jewish assets there, along with sequestered enemy assets.

After 4 June, the organisation was entirely reactivated and Enrico De Martino, a State Councillor, was appointed as Commissioner. In September 1944 he sent a report on the situation to the Treasury

¹ ACS, *Egeli*, b. 23.

Minister, Soleri, which envisaged the imminent closure of the organisation precisely because its objectives had ceased to exist, the anti-Jewish measures were being abrogated and there had been a radical shift in the war front, which would have limited its activities to the restitution of assets and their liquidation.²

The idea of a rapid closure of the EGELI offices would be short-lived, however, in the light of ensuing events. While dlgl 252/1944 of 5 October ordered the publication of decree 26 of 20 January, thereby authorising the reconveyance of property formerly sequestered according to 1939 legislation, after liberation it became increasingly difficult for the EGELI to carry out the restitution of property confiscated in the RSI. This was not only due to the vast amount of work and numbers involved, but also to the difficulty of getting an overall picture of the property situation. The organisation had to contend with chaos, dispersed documents and abuse of power.

The restitution of former enemy assets, now allied assets, would also turn out to be complex and onerous with regard to property still under the organisation's management because the rightful owners could not be traced. Ascertaining eligibility would be a lengthy process and could often lead to disputes culminating in lawsuits. Moreover, from January 1945 the EGELI also had to undertake the management of assets belonging to German subjects in Italy, to whom the law of war was applied.

Hence, the EGELI was kept running in order to solve all outstanding questions regarding the sectors mentioned above, and because of the international implications of its activities. Jewish property was returned more quickly, while the issue of administrative expenses that by law should have been borne by the owners dragged on, as the owners protested against the provisions that forced them to bear the costs.

The EGELI would be dissolved following the issue of dpr of 22 March 1957, implementing law 1404/1956 of 4 December. This was approved in order to govern the closure and liquidation of bodies, companies and organisations concerned with government finance, which were no longer necessary or in any case were a financial burden on the State. The reform, part of a broader programme to rationalise public administration, arose out of the need to close down a number of institutions that had been established during Fascist rule to carry out various projects, above all in the economic and colonial sectors, which were now obsolete.

In order to carry out the closure, a special Liquidation Office was set up in January 1957 as part of the General Inspectorate of Finance of the Paymaster General's Office. The dm of 13 November 1957 assigned this Office the task of closing down the EGELI when Ercole Marazza's mandate had

² ACS, *PCM, 1948-1950*, 3.2.2. fasc. 11472 sf. 4 "Reconveyance of real estate undertaken by the EGELI to the owners who were forced to transfer their property".

expired. The lawyer Giuseppe Vania, who had formerly been the organisation's Director-General, was appointed to manage it. The reports and enclosed documents consigned to the Treasury showed that the organisation had kept five separate administrative categories: "Management of Jewish assets expropriated in 1939"; "Management of taxable assets"; "Management of allied assets"; "Management of assets confiscated or sequestered in 1944"; "Management of German assets".

There were still six cases of expropriated Jewish property to be settled, 66 properties resulting from tax collecting actions to be sold, 90 unsettled cases of allied assets and 32 of German assets. The organisation also held some objects among its confiscated Jewish assets, including some unclaimed jewellery and various securities that had been consigned to the EGELI by the ARAR as they belonged to Jews.

So there was only a small number of unsettled cases compared to the countless files produced over the years by the EGELI, judging by the delivery receipt in the archives. Indeed, in December 1957 the archives housed not only general correspondence, but also over 13,000 files registered in the name of the same number of owners and classified as follows: Jewish assets, files numbered from 1 to 200; taxable assets, from 1 to 186; allied assets, from 1 to 4005; confiscated Jewish assets, from 1 to 8112; German assets, from 1 to 535.

Unfortunately, extant records are scarce. The General Inspectorate for the Affairs and Management of the Property of Dissolved Public Bodies (formerly the Liquidation Office) officially closed the organisation in 1997, and a year later all the EGELI papers were sent to the National State Archives. The number of documents left proved to be very meagre indeed, just over 200 folders in which the Treasury staff had ordered the files more or less accurately, probably for accounting purposes.

An initial examination of these documents reveals that files concerning "Jewish assets '39" and "Confiscated Jewish assets" were missing. Over half of the records concern allied assets, several hundreds in fact, which were far fewer than the 4,000 in 1957. Files on German citizens are also decidedly scarce and contain documents primarily regarding accounts.

The only evidence that remains of the organisation and its activities are the proceedings of the board of directors, the board of auditors and the executive board. There are also those of the Special Commissioner who, after the liberation of Rome, began the process of returning Jewish property that had been under management in accordance with the law of 1939. The many ministerial circulars and above all the accompanying balance sheets and reports help reconstruct events, from the earliest days to the winding up of the organisation in 1957.

The more general collection of correspondence is less uniform, concerning contacts with various institutions that the EGELI had to deal with, in particular with the banks that were delegated to

manage real estate sequestered from the Jews and property belonging to enemy citizens. As a government body responsible for carrying out various state functions it had to report to the Ministry of Finance, and from 1944 to the Treasury through the General Inspectorate of Finance of the Paymaster General's Office. It also referred to the Office for Allied and Enemy Property (UBAN) within the Office, which supervised questions concerning the management of foreign businesses and property formerly subject to war restrictions, activities regarding the liquidation and clearance of these administrations, as well as the compensation for war damages, up to the early 1960s.

The folders, especially the ones that seemed to be more complete, reveal that the organisation was extremely active, painstakingly carrying out its assignments and thus producing a large amount of useful documentary evidence. This primarily contributes to the reconstruction of the organisation's activities and functions, but also contains other kinds of information that can be of great historiographical interest. Hence, it is all the more unfortunate that a conspicuous number of files on Jewish property have been dispersed, as they could have been an extremely important historical source.

The EGELI activities can be traced through its anti-Jewish activities. A study edited by Adolfo Scalpelli published in 1962 was essentially based on a report stored at the Centre for Contemporary Jewish Documentation in Milan, drawn up in May 1945 by Leopoldo Pazzagli, the organisation's Commissioner from 1943 to the liberation. The document reconstructs the most significant stages of the EGELI, from its establishment and organisation to its transfer to the North of Italy. It is obviously intended to justify the technical character of the work carried out by the institution in compliance with precise norms, even if these were of a racially persecutory nature.³

Later studies used the records stored in the National State Archives concerning the Jewish Property Services at the Ministry of Finance and the Department of Demography and Race of the Ministry of the Interior.⁴ Although the archives at the EGELI are far from complete with regard to the Jewish sector, they are still useful in gaining a more complete picture of the situation and shed light on some unknown aspects, as well as helping to confirm some assumptions that had arisen.

The reports for the financial years sent to the Minister have proved extremely useful. These were included in the minutes of the board meetings, which were published individually from 1940 to 1943. Also of great interest are the minutes taken by other government bodies. It should be pointed out that such sources reflect the point of view of the EGELI, expressed in official documents.

³ A. Scalpelli, *L'Ente di gestione e liquidazione immobiliare: note sulle conseguenze economiche della persecuzione razziale*, in *Gli ebrei in Italia durante il fascismo*, edited by G. Valabrega, "Quaderni del Centro di documentazione ebraica contemporanea", 1962, No. 2, pp. 92-112.

⁴ See D. Adorni, *Modi e luoghi della persecuzione (1938-1943)*, in *L'ebreo in oggetto*, edited by F. LEVI, Turin, pp. 39-117; F. LEVI, *L'applicazione delle leggi contro le proprietà degli ebrei (1938-1946)*, in *Fascismo, antifascismo, democrazia a cinquant'anni dal 25 aprile*, Bari 1995, pp. 845-862.

Nevertheless, they are still important for an understanding of the initial organisational stages, the establishment of its legal status and top management, the building of offices, the recruitment of personnel and the distribution of assignments to the Land Banks, which according to article 12 of the decree for its foundation, could take on the management and sale of property of Jewish origin.

Relations with these banks, which were governed by agreements approved by the Ministry as far as competencies and relevant remuneration were concerned, were soon to be extended to include the management of enemy assets, the latter being so numerous that activities increased rapidly.⁵

The decision to delegate functions to other administering bodies was dictated by the need to be able to rely on technically competent bodies locally, which could carry out assignments of ordinary and extraordinary administration, thus leaving the EGELI free to assess common policies, supervise relations with central and local government bodies involved in the sector and deal with legal questions. The records reveal the determination to create an efficient organisation, which had over sixty offices kept busy dealing with an ever-increasing amount of work, but which also incurred significant costs for which the State had allocated L.20,000,000.

The management of enemy property proved to be costly, going from 706 assets at the end of 1940 to 3,150 in 1942 to over 3,500 in 1945. They comprised mostly buildings, but there were also a number of farms. The factories and commercial and industrial concerns that were also sequestered had been assigned to auditors, sequestrators or liquidators who were appointed by the Ministry of Corporations. In many cases they were holiday homes, often villas and country houses that were of great value, found all over Italy. Once the property had been sequestered by the Prefect, it was handed over to the EGELI, which in turn delegated its management to the administering bodies. The latter drew up extremely detailed inventories, especially with regard to estates of great worth that contained libraries, art collections and valuables. They painstakingly recorded credits and liabilities, assets under contentious procedure either prior to or during the handling of the sequestration. Indeed, since the administration would only be temporary, the organisation took the trouble to record as accurately as possible the conditions of the property when it was handed over, eventually with the view to improving it where possible. To this end the reorganisation of agricultural business concerns was authorised in order to eradicate waste and abuse. Some questions were difficult to solve and sometimes led to meetings with tenants and employees. Extensive and costly restoration work was carried out on buildings damaged by the war, precisely because the organisation was responsible for their maintenance.

⁵ Following law 158/1941 of 24 February, the banks involved were also authorised to manage property which was not necessarily of Jewish origin and thus the number of banks increased from 12 to 19.

The EGELI gave the Land Banks guidelines covering the handling of accounts and aspects of management, so that procedures were as uniform as possible. Expenditure for all these activities was covered by sums advanced by the EGELI on behalf of the State, having been authorised to do so since December 1940.

What emerges as one of the most evident characteristics of the organisation is the wish to be represented as a specific technical body. This fact is borne out by the minutes taken on 27 November 1944 by the new board of directors that had been re-formed following the decree of 31 August 1944⁶ issued by the Ministry of Finance of the RSI. Much of the information included was used by the Chairman, Pazzagli, in his report of May 1945, where it is substantially offered as justification. The same notes written at the end of 1944, even if things were coming to a head, can be considered differently. In actual fact, the minutes contain a report by Pazzagli himself as retiring Special Commissioner, on management activities undertaken from 19 October 1943 to 27 November 1944. While going over the most significant moments of the organisation from its establishment in 1939, and particularly the last 13 months when the EGELI was transferred to San Pellegrino Terme in Northern Italy, he frequently emphasises the volume and complexity of the work involved, especially after the two decrees issued on 4 January 1944, to which he is said to have actively contributed. The organisation took charge of enemy industrial and commercial concerns through private delegates, as it was not considered possible to turn to the Land Banks or other banks in this sector. In order to deal with this new assignment a Company Office was set up, which managed to collect detailed information on the various businesses through special questionnaires, allowing the creation of an archive that was sufficiently complete for both technical and administrative purposes.

The new office was also in charge of confiscated Jewish companies, mostly commercial, that were being liquidated following the ruling of 30 November 1943 or had ceased their activities because they had been abandoned by their owners threatened with deportation. The same administrative guidelines were applied to them as for the enemy companies.

Although the handling of Jewish property resulting from application of the law of 1939 meant managing acquired estates and possibly their sale to third parties, the activities relating to enemy companies and above all to confiscated Jewish property comprising real estate, personal property and companies were even more complex according to Pazzagli. It was not always clear how to apply government guidelines.

⁶ The decree was published in issue No. 242 of the *Gazzetta Ufficiale* on 16 October 1944.

Although the EGELI was only concerned with management duties, the Ministry of Finance had guaranteed total co-operation to help solve issues concerning the taxes to be applied to confiscated assets, policies to be adopted for limited companies whose share capital had been totally or partly confiscated, standards for the repair of damaged buildings, the sale or allocation of furniture, commonly used objects and small lots of goods requested in many zones by the Prefectural Offices to be sent to the victims of disaster areas.

These were only some of the problems that arose amongst other numerous and often delicate matters that the EGELI had to tackle. These activities were undertaken alongside the more specifically institutional ones that, during the 13 months of Commission administration, had resulted in 5,375 confiscation orders concerning Jewish property, the management of each one being delegated to the Land Banks or private institutions. The organisation dealt with each case through the institutions, giving out instructions and directives for their management in specific cases.

Attention was frequently drawn to the problems encountered in running the firms, which were working in extremely difficult circumstances. There was the rise in labour costs, the cost of raw materials, war damages, problems in trying to obtain funds from both private and public administrations, not to mention the requisitioning or demolition of property in the name of wartime necessity. Pazzagli pointed out that dedication and timeliness on the part of the EGELI, contacts with various authorities, bodies and headquarters, as well as continuous close supervision and professional reliability on the part of the organisation's personnel and delegates all helped tackle these problems.

Less reference was made to the difficulty of applying the confiscation decree in cases where transfer of property was not undertaken or was in any case slowed down by the offices for sequestration that had been set up at the Prefectural Offices.

On the whole, the EGELI emerges as an organisation that was qualified to carry out these assignments. However, a more explicit and exasperated reference to political and racial problems was expressed in the following report on 20 December, in which the dispute with the General Inspectorate for Race is cited. In early November this body had been asked to nominate its representative for the board of directors, but had "replied affirming that it wanted to keep its distance from anything concerning Jewish property, both because of the manner in which the property was handled and because intervention in any event was deemed impossible".

Since it appeared that in the Inspectorate's communication there were some general comments concerning the EGELI's handling of the situation, in the sense that the organisation's line of conduct had been too "lenient" toward the Jews, it had been reasserted that it was up to the EGELI

to take possession of and manage confiscated property, leaving aside any functions of a political or investigative nature that were the competence of government bodies”.

Hence, the Inspectorate rejected any suggestion that the EGELI could carry out direct inquiries in order to establish the Jewish origins of certain people or else verify whether some assets could be confiscated. This meant that the organisation could not be responsible for any shortcomings or neglect on the part of other bodies, having carried out its administrative duties as thoroughly and meticulously as possible.

The extent of the EGELI's efficiency also in the North could have been ascertained if its archives had been conserved, which must have been substantial and well organised, according to official documentary evidence. Nevertheless, extensive detailed information is still to be found in the minutes of the board meetings. For instance, those referring to 3 December 1942 or to 7 July 1943 record all the decisions taken on the proposed sale of Jewish property and taxable property to third parties. Each case contains detailed information, such as cadastral numbers, addresses, descriptions, possible liabilities, questions of succession that were sometimes quite complicated, usufructs, valuations and purchase offers.

What remains of the parallel organisation in the period 1944-45 is a number of reports, minutes of government body meetings, circulars and various collections of correspondence. The two organisations were reunited at the end of the summer of 1945 with the closing down of the offices at the headquarters in San Pellegrino Terme on 15 August. The personnel and archives were duly transferred to Rome. The Allied authorities decided that an office, set up on 1 March and running until April 1946, should remain in Milan.

There are also indications of objections to the reunification of the organisation. The Special Commissioner De Martino had thought that it was time to join the two offices and therefore on 1 May had requested the Treasury to discuss matters with the Allied Control Commission, as it was essential to guarantee co-ordinated policies and action on such a delicate matter as Jewish and former enemy property.

Meanwhile, the statutes to abrogate the racial laws were being formulated. In October 1944 dlgt 249 of 5 October was issued concerning legislation in the liberated territories, and dlgt 252 ordering the publication of rdl 26/1944 of 20 January concerning the restitution of civil and political rights to Italian and foreign citizens formerly declared or considered to be of Jewish race. Such reparatory measures set in motion the restitution of assets exceeding allowed limits that had remained in the custody of the Roman delegation and hence also of the reunited organisation. This operation was immediately possible thanks to the fact that files had been left in the Roman headquarters in Via Sabina concerning management that had been delegated to the Banco di Sicilia,

Banco di Napoli, Credito Fondiario Sardo, Istituto Italiano di Credito Fondiario and the Banca Nazionale del Lavoro.

From 1 November 1944 onwards the organisation started receiving claims submitted by the owners of property exceeding allowed limits, and from 25 November the Commission's resolutions on restitution to the interested parties were recorded, postponing the definition of debit and credit.

Restitution was carried out over the following months. At the end of 1945 there were 133 items of real estate formerly assigned to the EGELI and delegated to other administrators, as well as 27 other properties that had remained in the possession of expropriated Jews. By 1948, 29 estates had been returned to their rightful owners or else were owned by third parties. To the relatively limited number of estates confiscated following the 1939 law there was a correspondingly high number of assets confiscated in the Social Republic, around 8,000 according to the report by Pazzagli in May 1945. The restitution of this property would be governed by dl 393/1946 of 5 May, which assigned to the EGELI the regulation of relations with the owners of property that had been confiscated or sequestered also by the Prefectures, Commissariats or similar bodies.

The Report for financial year 1945 states that, immediately after liberation, "many Jews managed to obtain the restitution of confiscated assets through exceptional procedures, which could not be denied them, even if detailed legislation was lacking with regard to the procedures themselves". "On the other hand, the provisions for the confiscation or sequestration of Jewish property had been declared null and void by dl 249 /1944 of 5 October, with regard to legislation in the liberated territories".

Since many formerly confiscated assets had been returned to their owners through informal channels and often without the intervention of any administering body or private delegate, it was impossible for the EGELI to provide specific information relating to the extent of the restitution that occurred throughout 1945. Nevertheless, according to the report it was believed that almost all of the deposits held by third parties had been returned (bank deposits, securities and valuables held in banks), which amounted to 4,115, as had almost all industrial and commercial concerns (207), as well as a sizeable part of the 2,794 furnished properties.

A number of questions were still to be settled concerning in particular a large amount of personal property that was concentrated above all in Milan, which had not yet been returned and was expensive to keep in custody. Another issue was the property handled by offices and local Police Commissariats more or less reporting to the Prefectures, who had managed property sequestered from the Jews either directly or through sequestrators. They operated without the supervision of the EGELI and this resulted in illegality and abuse that was denounced by Pazzagli himself in the report

of May 1945. These bodies had been set up in various provinces and had played a particularly important role in cities such as Cremona, Padua, Verona, Ferrara, Reggio Emilia and Modena.

When the EGELI was ordered to initiate restitution procedures and settle accounts involved in the management of such property, the problem arose of accurately reconstructing the different administrations, since the Clearance Offices that had taken over from the Commissariats after liberation often had to contend with irregular accounting or else with a lack of documents essential for a reconstruction of each activity.

In addition, when trying to piece together residual documents it was found that some of these assets were still unclaimed, which suggested either the disappearance or death of their owners, and often their heirs could not be located either.

Directives were also issued with regard to assets sequestered from former enemy citizens. Dllg 36/1945 of 1 February annulled provisions concerning assets belonging to Allied States or citizens from those nations. Another decree was issued on the same day, No. 33, which shifted control of industrial and commercial businesses from the EGELI to the Paymaster General's Office. Even though supplementary norms were only later approved in 1946, on the basis of which from 9 May the EGELI no longer handled Allied property as sequestrator but as temporary administrator, in actual fact as the Allies advanced and gradually liberated the territory the authorities stipulated that individual assets that had been seized and managed by the EGELI should be returned to their rightful owners. This occurred above all in Sicily and the southern provinces. In these cases restitution had not been backed by regulations concerning administrative expenses as defined by the statutes in 1946.⁷

Out of over 3,500 sequestered assets that had been in the custody of the EGELI by the middle of 1945, 1,719 were left at the end of 1946, falling to 586 in 1948, then to 312 in 1951, until there were only 90 left in 1957 when the EGELI was put into liquidation.

The EGELI gradually reduced its activities, only taking on property sequestered from German citizens in 1945 in accordance with the law of war. Apart from assets in the provinces of Trento, Bolzano and Belluno that had been assigned to the Ente Tre Venezie, the EGELI handled at most 376 properties in 1946, gradually diminishing in number through sales provided for by the Washington Agreement of August 1947 between Italy and the Allied Powers.

The sector managing taxable property had always been more marginal than the other assignments and when submitting the report for financial year 1946 to the Treasury Minister, Special Commissioner De Martino decided to suggest that the organisation take on new assignments

⁷ Dllg 140/1946 of 26 March contained laws that supplemented the dllg 36/1945 of 1 February, while dpcm of 9 April 1946 established the dates on which the previous decrees would come into effect.

making use of administrative experience with a view to writing off management costs and also safeguarding the jobs of the personnel.

However, the Commissioner's predictions were inaccurate, as some quite important questions that had not been taken into account came to a head in 1947, slowing down the liquidation process. Indeed, the question of the statements concerning administrative expenses that the EGELI incurred while handling Jewish and Allied assets became a particularly contentious one.

There was also the more delicate question of property confiscated and sequestered in the RSI. Following liberation, credit balances from the confiscation of Jewish assets began to be returned. Directives governing accounts were only established with decree 393/1946, which stipulated that a management account had to be sent in once restitution had been concluded. The organisation had to give notice of the statements of expenses by a certain date, 5 September 1946, which was then extended to 5 September 1948. According to the directives issued by the Treasury, the State was to pay 25% of the expenses and the remaining 75% was to be paid by the owners. It was calculated that at the end of 1947, compensation owed to the organisation amounted to over L. 22,000,000 and a further L. 3,300,000 had to be added that was related to property that had been managed by administrators that were not controlled by the EGELI. In compliance with decree 393, notice of the statements of expenses had been given to the owners, who strongly objected to this unjust treatment.

The question of confiscated Jewish assets was becoming increasingly urgent because the owners, backed by the Union of Italian Jewish Communities, could not accept having to pay debts that had been imposed on them. Hence, the State was asked to annul these directives.

The EGELI archives do not hold substantial evidence on this issue and its subsequent settlement. Nevertheless, there are some "political" files on this question and much evidence on unclaimed assets that would be sold in the 1960s. It would be useful to trace and eventually consult the collections of correspondence that at present lie in storage at the Treasury.

To understand more about the issue of restitution and the outcome of the question of expenses, see the next chapter. In 1947 the Peace Treaty had been signed with the Allied Powers. Article 78 stipulated that within 12 months of the law coming into force, the owners of property in Italy that had formerly been subject to sequestration had to put in a claim for restitution. There would also be compensation for property that had been damaged by the war.

The handling of these activities was extremely demanding and expensive for the EGELI in many ways. Indeed, many assets remained unclaimed even after the deadline for the claims on 15 September 1948. It was often difficult to ascertain eligibility and procedures for the handing over of the property were quite complex. The EGELI also had to take part in the preparation of preliminary

examinations for the compensation of war damages. This task was referred to the Office for Allied and Enemy Property (UBAN).

The question of the statements concerning advanced out-of pocket and general expenses incurred by the EGELI also arose in this sector. Many assets had been returned after the war and the settlement of accounts was made with reference to international agreements. However, despite the fact that the Peace Treaty had come into force, the owners were not prepared to pay the debts and often waited until they were paid compensation for war damages.

In 1953 the EGELI had debts of about L. 210,000,000, falling to L. 118,000,000 concerning 1,700 cases in July 1957, when the organisation was being wound up. The drop in the figures was only partially due to the payment of debts by the owners, as in the meantime – unlike the situation for confiscated Jewish assets – there had been a number of agreements signed by the Allied Powers that stipulated, among other things, the renunciation of the recovery of the amounts owed with regard to the period of sequestration, which ceased in 1946.

These directives and others later on forced the EGELI to draw up new individual accounts for all 3,500 cases, which further complicated work carried out by the EGELI and the other administering institutions. There was also friction between the EGELI and the other bodies, as the latter in turn claimed outstanding expenses. There were still 90 unclaimed assets when the organisation was put into liquidation, which meant carrying out painstaking enquiries to trace the owners with the help of Italian and foreign embassies and diplomatic representatives.

German assets were in turn governed by the terms of the Memorandum of Understanding signed in Washington on 14 August 1947 between Italy and the Allied Powers on the basis of which the assets had to be gradually sold off and the proceeds were to be put aside until further assessments were undertaken. An international commission was established with representatives from France, England, the United States and Italy in order to decide on the sale of such assets, which would have to be carried out by the EGELI. The proceeds from the sale, less management expenses and other fees, were paid into the State Treasury in a special account called “Liquidation of German assets in Italy”. The question was finally settled in 1961 through an agreement between Italy and Germany made official by dpr 1263/1962 of 14 April.

