

Recent Trends in the Geographical Distribution of Italy's Foreign Trade: 1938-1949

by
GIULIO PIETRANERA

1. - General features in the 1938-1949 development.

The figures contained in Table I show the general trend of Italy's foreign trade between 1938 and 1949. It is characterised by two main features:

(a) the growing percentage of imports covered by exports; the 1938 ratio of 72.9 per cent had fallen as low as 36.44 per cent in 1947, after which it rose to 69.3 per cent in 1948 and to 74.8 per cent in 1949;

(b) calculated in pre-war lire, the 1938 deficit amounted to 3 billion rising to 11.4 billion in 1947 and then falling to 4.6 billion in 1948 and to 4.2 billion in 1949. In short, the real value of the deficit, after increasing 280 per cent in 1947, was only 53 per cent above the pre-war level in 1948 and 33 per cent in 1949.

Now both the improvement in the ratio between exports and imports and the drop in the real deficit after the crucial year of 1947 are due above all to the considerable increase in exports. Imports, after the peak reached in 1947, fell to a much lower level in the following years, while exports showed a reverse tendency.

2. - Foreign trade in 1949.

At the end of 1949 Italy's balance of trade closed with a deficit of 222,495 million lire as against 252,208

lire in 1948. There was therefore an 11.01 per cent decrease in the deficit.

The values of the goods imported in 1949 was 855,062 million lire (1948: 822,832 million; increase 4.01 per cent). The value of the goods exported was 632,567 million lire (1948: 570,624 million; increase 8.70 per cent).

Table II shows the quarterly trend of trade and of the deficit in 1949 and 1948, enabling us to see the two periods in their proper light:

(a) the drop in the deficit in 1949 as compared with 1948 (11.01 per cent) was due mainly to the increase in the rate of exports over that of imports. In fact, whereas the latter increased 4.01 per cent in 1949, exports showed an increase of 8.70 per cent;

(b) the survey based on quarterly periods and indices of expansion affords the possibility of observing a change in tendency in the two periods examined.

In 1948 imports as a whole followed a downward trend. As compared with the first quarter of the year, they increased 10 per cent in the second quarter and then decreased 3 per cent in the third quarter and 5 per cent in the last quarter. Exports, on the other hand, increased briskly and progressively, 28, 44 and 87 per cent in the respective quarters.

Also in 1949 imports followed a downward trend on the whole. It is true that they increased 9 per cent in the second quarter as compared with the first, but

DEVELOPMENT OF ITALIAN FOREIGN TRADE
(milliards of lire)

Years	Imports			Exports			Deficit			% ratio of exports to imports
	Current Lire	1938 Lire (a)	Index	Current Lire	1938 Lire (a)	Index	Current Lire	1938 Lire (a)	Index	
	milliards of lire		number	milliards of lire		number	milliards of lire		number	
1938	11.1	11.1	100	8.1	8.1	100	3	3.0	100	72.9
1947	930.6	18.-	162	339.2	6.6	81	591.4	11.4	380	36.44
1948	822.8	15.1	136	370.7	10.5	130	252.1	4.6	153	69.3
1949	855.-	16.5	147	632.5	12.3	152	222.5	4.2	133	74.8

(a) Current lire have been converted into 1938 lire on the basis of the wholesale price index number compiled by the Central Institute of Statistics.

ITALY'S FOREIGN TRADE: IMPORTS, EXPORTS, DEFICIT IN 1948 AND 1949 BY QUARTERS
(millions of lire)

Quarters	Imports					Exports					Deficit				
	1949	Index	1948	Index	% increase or decrease 1949 to 1948	1949	Index	1948	Index	% increase or decrease 1949 to 1948	1949	Index	1948	Index	% increase or decrease 1949 to 1948
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1st Quar.	219,864	100	204,507	100	+ 7.36	160,162	100	101,464	100	+ 58.41	59,702	100	103,043	100	- 43.10
2nd "	239,030	109	225,422	110	+ 6.22	156,042	97	130,323	128	+ 20	82,988	138	95,099	91	- 5.70
3rd "	216,561	98	198,073	97	+ 8.80	154,307	96	149,372	144	+ 3.34	62,154	103	48,701	45	+ 28.80
4th "	179,607	81	194,830	95	- 7.74	162,056	101	189,465	187	- 14.33	17,551	28	5,365	4	+ 4.40
	855,062		822,832		+ 4.01	632,567		570,624		+ 8.70	222,495		252,208		- 11.01

Source: *Statistica del Commercio con l'Estero* of the Central Institute of Statistics, Series II, No. 9, Rome, 1949.

ITALY'S FOREIGN TRADE BY GROUPS OF COMMODITIES: 1938, 1948 AND 1949
(millions of lire)

Economic Groups	1938		1948		1949	
	Millions of lire	%	Millions of lire	%	Millions of lire	%
IMPORTS:						
I. - Live animals	100	0.88	3,356	0.41	3,050	0.41
II. - Foods and related raw materials	1,667	14.78	377,259	45.84	253,911	29.69
1. Natural products and by-products	946	8.39	260,170	31.6	166,989	19.52
2. Products of first processing or transformation	135	5.63	96,210	11.7	74,974	8.77
3. Products of fuller processing or transformation	86	0.76	20,875	2.54	11,948	1.40
III. - Products of ind. other than food, and related raw materials	6,949	61.64	304,974	37.05	448,086	52.39
1. Natural products, waste, by-products and scrap	2,762	24.50	150,791	18.32	232,783	27.20
2. Products of first processing or transformation	2,056	18.23	88,029	10.20	114,119	13.35
3. Products of fuller processing or transformation	2,131	18.93	66,154	8.03	101,184	11.84
IV. - Other materials	2,557	22.70	137,243	16.50	150,015	17.51
1. Natural products and by-products	2,375	21.06	130,010	15.80	143,099	16.71
2. Products of first processing or transformation	182	1.64	7,233	0.90	6,916	0.80
Grand Total	11,273	100	822,832	100	855,062	100
EXPORTS:						
I. - Live animals	16	0.15	109	0.19	431	0.68
II. - Foods and related raw materials	3,530	33.62	112,777	19.76	142,366	22.58
1. Natural products and by-products	2,025	19.30	76,065	13.33	94,587	14.93
2. Products of first processing or transformation	1,461	12.-	33,078	5.79	42,756	6.80
3. Products of fuller processing or transformation	244	2.32	3,634	0.64	5,033	0.85
III. - Products of ind. other than food, and related raw materials	6,878	65.52	456,461	79.85	483,512	76.43
1. Natural products, waste, by-products and scrap	657	6.26	25,373	4.43	30,357	4.80
2. Products of first processing or transformation	1,867	17.79	156,318	27.33	141,478	22.36
3. Products of fuller processing or transformation	4,354	41.47	274,770	48.10	311,677	49.27
IV. - Other materials	73	0.71	1,277	0.20	6,258	0.99
1. Natural products and by-products	24	0.24	193	0.02	627	0.02
2. Products of first processing or transformation	49	0.47	1,084	0.18	5,631	0.97
Grand Total	10,947	100	570,624	100	632,517	100

Source: *Statistica del Commercio con l'Estero*, of the Central Institute of Statistics, December 1948 and December 1949.

they decreased 2 and 19 per cent in the two subsequent quarters. Unlike in 1948, exports also followed a downward trend: 3 per cent in the second quarter and 4 per cent in the third quarter, only picking up 1 per cent in the last quarter.

This points mainly to a comparative decline of exports in 1949 as compared with the considerable increase in 1948. The decline in imports was particularly noticeable in the last quarter of 1949; that of exports instead refers to the whole year, despite the unexpected increase in the last quarter. This extremely fluid tendency deserves to be carefully examined, particularly with regard to the change in the geographical structure of Italian trade currents and — as data become available — of the devaluations in September 1949.

3. Distribution of foreign trade by groups of commodities.

Table III contains figures relating to the distribution by groups of commodities accompanied by the percentages of participation. Table IV contains those relating to the principal goods exported.

The analysis of Table III leads to the following observations with regard to imports:

(a) the percentage of participation for « foodstuffs and related raw materials » rose from 14.78 per cent in 1938 to 45.85 per cent in 1948. The subsequent large decline in 1949 — in the percentage (29.69 per cent) and in absolute values — is an obvious symptom of a return to normal conditions;

(b) the percentage of « manufactured products other than foodstuffs and their related raw materials » dropped from 61.64 per cent in 1938 to 37.05 per cent in 1948, rising to 52.39 per cent in 1949 with the return to a normal equilibrium in the trade structure. Values also increased considerably, rising from 304.9 billion lire in 1948 to 448 billion lire in 1949.

The following observations may be made with regard to exports:

(a) on the whole, traditional exports of « foodstuffs and relative raw materials » contributed increasingly to Italian sales abroad. In 1938 the latter participated in the general total of exports to the extent of 33.62 per cent. Between 1948 and 1949 the percentages (1948: 19.76 per cent; 1949: 22.58 per cent) and values (1948: 112.7 billion lire; 1949: 142.3 billion lire) increased as a result of the reopening of many markets to Italian fruit and vegetable exports (for the latter see the figures in Table IV);

(b) the resumption of exports of « manufactured products other than foodstuffs ». Between 1938 and 1948, sales of the latter increased both in percentage and in absolute values, rising from 65.52 per cent before the war to 79.85 per cent in 1948. The slight decline in this percentage in 1949 (76.43 per cent) only means that this group participated to a lesser extent in the export boom. In quantities and in absolute values however there was an increase between 1948

and 1949, the former rising from 2012.4 to 2136.4 tons and the latter from 456.4 to 483.5 billion lire, so that this group is still the most important of the Italian exports.

Table IV enables us to estimate the trend of exports in three fundamental sectors (fruit and vegetables, textiles and machinery).

TABLE IV
PRINCIPAL GROUPS OF EXPORTS IN 1938, 1947, 1948
AND 1949
(metric tons unless otherwise stated)

Description	1938	1947	1948	1949
A. - Fresh Fruit & Vegetables:				
Fresh vegetables	193,206	122,114	173,482	198,819
Citrus fruit	355,670	199,818	280,056	355,531
Fresh fruit	212,197	177,140	228,904	334,539
B. - Textiles:				
Cotton yarns	19,373	17,304	34,608	35,499
Cotton fabrics	45,129	19,781	15,147	23,413
Woolen yarns	2,115	4,464	3,793	2,994
Woolen fabrics	9,643	5,957	6,300	7,930
Synthetic fibre fabrics	3,205	4,691	5,562	9,250
Fabrics containing synthetic fibres	12,355	2,634	1,677	1,477
C. - Engineering:				
Machine tools	1,083	10,749	16,234	10,385
Apparatus for electric devices	1,112	1,840	2,475	3,488
Electric generators and motors	3,114	3,233	4,270	4,852
Ball bearings & their parts	1,276	1,091	1,807	4,448
Sundry utensils & implements	2,217	2,415	2,761	2,899
Auto-vehicles (No.)	18,486	10,535	13,631	16,519
Tractors (No.)	111	325	958	1,204
Commercial auto-vehicles (No.)	1,892	2,743	5,700	3,194
Spare parts for auto-vehicles	4,375	1,213	4,800	6,101
Ships & tugs (tons D.W.)	46,105	14,633	42,418	41,134

Besides the already mentioned expansion of fruit and vegetable exports which surpassed the pre-war quantity, a general increase in textiles was apparent between 1948 and 1949. Highly significant, with regard to the pre-war period, is the progress of yarns and the recess of fabrics.

As compared with 1938, there was a considerable increase in exports of almost all the products of the mechanical industry. Between 1948 and 1949 there was marked increase in electrical machinery and equipment and in motor vehicles and their parts. A recess is apparent in the exports of machine tools and industrial motor vehicles.

4. The geographical-political structure of Italian foreign trade between 1938 and September 30, 1949.

Tables V and VI contain figures for Italian foreign trade for the period January 1-September 30 in the years 1938, 1948 and 1949, distributed by currency area or political zones.

ITALY'S IMPORTS, BY COUNTRIES: 1938, 1948 AND 1949, FIRST NINE MONTHS
(millions of lire)

TABLE V

Countries	1938	% (a)	1948	%	1949	%	% of increase or decrease of 1949 to 1948
IMPORTS - Total	8,541.6	100.00	627,924.3	100.00	681,675.6	100.00	+ 8.56
Sterling Area - Total	1,419.8	16.88	84,624.6	13.48	120,787.7	17.72	+ 43.27
Main Countries:							
Australia	181.6	2.16	10,005.2	3.03	40,781.8	5.98	+ 114.58
United Kingdom	536.4	6.38	18,613.0	2.96	24,956.5	3.66	+ 34.08
Egypt	124.9	1.48	10,563.6	1.68	15,469.7	2.27	+ 46.44
South Africa	75.9	0.90	6,616.5	1.05	10,593.7	1.54	+ 59.20
India	201.2	2.39	13,720.7	2.19	10,034.6	1.47	- 12.13
Pakistan	155.2	1.84	3,727.1	0.59	6,299.1	0.92	+ 69.03
British Malaya	...	...	1,617.0	0.26	2,757.3	0.41	+ 70.50
Ethiopia	29.8	0.34	3,184.6	0.51	1,661.7	0.24	- 47.85
Irak	59.2	0.70	5,410.0	0.87	1,291.8	0.19	- 76.12
Hong Kong	...	...	126.1	0.02	403.4	0.06	+ 219.84
Italian Colonies	129.3	—	2,774.3	0.44	5,253.6	0.77	+ 89.37
Dollar Area - Total	1,470.4	17.48	294,067.9	46.83	295,305.3	43.32	+ 0.42
Main Countries:							
United States	1,036.2	12.32	214,420.2	38.93	254,433.0	37.32	+ 4.10
Brazil	92.8	1.10	13,851.3	2.21	10,614.1	1.56	- 23.37
Canada	29.7	0.35	11,375.3	1.81	5,643.4	0.83	- 15.39
Chile	135.0	1.60	5,974.6	0.96	4,815.2	0.71	- 19.42
Mexico	13.6	0.15	1,704.2	0.27	4,614.2	0.68	+ 171.36
Uruguay	49.2	0.58	3,021.4	0.48	4,389.6	0.65	+ 45.31
Venezuela	13.1	0.15	935.3	0.15	1,813.6	0.27	+ 94.01
Cuba	5.3	0.03	6,278.5	1.00	978.3	0.14	- 84.43
Peru	3.2	0.03	488.5	0.08	835.0	0.12	+ 71.20
O.E.E.C. Countries	(4,046.2)	(47.36)	(106,829.7)	(17.08)	(155,968.4)	(26.67)	(+ 45.84)
Continental O.E.E.C. Countries							
Germany	2,325.1	27.64	11,429.5	1.82	16,349.1	2.36	+ 130.54
Switzerland	256.5	3.05	28,185.7	4.50	18,995.0	2.79	+ 4.45
Belgium-Luxembourg	121.7	1.45	7,724.0	1.23	18,412.7	2.70	+ 138.38
France	175.3	2.08	5,455.2	0.87	15,461.0	2.27	+ 181.42
Austria	...	...	9,094.8	1.45	14,479.1	2.09	+ 57.01
Sweden	164.9	1.96	7,447.0	1.19	11,015.1	1.62	+ 51.00
Netherlands	81.2	0.97	7,261.4	1.16	8,363.1	1.23	+ 15.17
Denmark	24.7	0.29	7,676.7	1.23	5,980.7	0.88	- 22.09
Norway	86.4	1.02	2,916.6	0.46	4,520.9	0.67	+ 55.30
Turkey	165.9	1.96	2,950.5	0.47	2,676.3	0.39	- 9.29
Greece	72.2	0.86	5,531.3	0.88	2,497.8	0.37	- 54.84
Portugal	33.2	0.39	2,198.0	0.35	1,763.5	0.26	+ 19.80
East Europe - Total	680.3	11.65	25,140.9	4.01	41,480.6	6.13	+ 64.93
Poland	215.5	2.56	6,252.8	1.00	17,781.3	2.61	+ 184.37
Yugoslavia	119.5	1.42	8,515.0	1.36	7,239.6	1.06	- 14.96
Czechoslovakia	226.0	2.69	7,035.5	1.12	6,905.6	1.01	- 1.85
U.S.S.R.	6.5	0.07	1,839.6	0.29	4,988.4	0.74	+ 171.08
Hungary	137.2	1.63	574.5	0.09	2,477.7	0.37	+ 331.70
Bulgaria	86.1	1.02	812.3	0.13	1,345.7	0.20	+ 63.74
Rumania	189.9	2.25	103.0	0.02	742.3	0.11	+ 620.38
Other Countries - Total	1,214.0	14.43	136,426.2	21.82	93,297.2	13.86	- 31.26
Argentina	207.4	2.47	69,517.9	11.08	39,564.8	5.80	- 60.24
Iran	32.6	0.39	13,251.5	2.11	13,275.1	1.95	+ 0.18
Hepiaz & Neged	...	...	6,170.8	0.99	8,474.6	1.25	+ 37.33
Spain	140.9	1.66	2,418.3	0.39	3,420.2	0.50	+ 41.43
Tunisia	55.3	0.65	3,207.2	0.51	2,654.2	0.39	+ 76.11
Belgian Congo	27.9	0.33	1,890.5	0.30	3,533.3	0.52	+ 34.09
Morocco	92.6	1.09	1,624.6	0.26	2,380.7	0.35	+ 46.52
Finland	80.2	0.95	679.3	0.11	1,433.9	0.21	+ 111.29
Palestine	1.6	0.01	1,136.9	0.18	40.0	0.006	- 64.82

(a) These percentages have been calculated on the total exclusive of the trade with Italian Colonies.

(b) Included in Germany.

ITALY'S EXPORTS, BY COUNTRIES 1938, 1948 AND 1949, FIRST NINE MONTHS
(millions of lire)

TABLE VI

Countries	1938	% (a)	1948	%	1949	%	% of increase or decrease of 1949 to 1948
EXPORTS - Total	7,509.7	100.00	382,655.9	100.00	466,061.8	100.00	+ 21.80
Sterling Area - Total	1,156.3	19.45	92,499.0	24.16	154,943.9	33.25	+ 67.60
Main Countries:							
United Kingdom	396.0	6.66	27,445.9	7.17	49,668.3	10.66	+ 80.97
Egypt	165.3	2.78	19,788.0	5.17	24,231.5	5.20	+ 22.46
India					18,177.9	3.89	
Pakistan	117.3	1.97	20,440.2	5.34	17,681.9	3.79	+ 75.14
British Malaya			2,071.6	0.54	6,550.4	1.41	+ 216.17
Australia	14.2	0.23	2,931.1	0.77	6,156.5	1.32	+ 110.04
Iraq	53.8	0.90	2,417.1	0.63	6,040.3	1.30	+ 149.89
British West Africa	33.6	0.57	1,154.7	0.30	4,069.3	0.88	+ 252.59
South Africa	15.8	0.27	5,276.7	1.38	2,800.8	0.60	- 46.91
Malta	15.3	0.23	2,195.0	0.57	2,480.4	0.53	+ 12.98
British East Africa	4.2	0.07	1,145.0	0.30	2,109.0	0.45	+ 84.19
Aden	0.6	0.01	1,375.0	0.36	2,049.3	0.44	+ 49.10
Ethiopia	222.5	3.73	1,205.7	0.31	1,102.1	0.24	- 8.55
Italian Colonies	1,564.0	26.30	1,333.6	0.35	2,694.7	0.58	+ 101.94
Dollar Area - Total	887.4	14.92	66,128.3	17.28	46,256.0	9.92	- 30.05
Main Countries:							
United States	554.9	9.33	36,328.1	9.49	18,604.9	3.99	- 48.79
Brazil	68.3	1.16	7,741.7	2.02	8,987.1	1.93	+ 16.08
Venezuela	27.5	0.46	4,623.8	1.21	4,496.4	0.96	- 2.76
Canada	26.9	0.45	2,170.1	0.57	2,574.0	0.55	+ 18.61
Uruguay	40.5	0.67	2,668.3	0.70	2,384.9	0.51	- 10.81
Mexico	24.4	0.40	4,903.2	1.28	1,781.4	0.38	- 63.48
Chile	42.9	0.72	1,045.0	0.27	1,198.7	0.26	+ 14.73
O.E.E.C. Countries	(3,001.9)	(50.48)	(158,451.2)	(47.23)	(195,920.~)	(42.28)	+ (7.18)
Continental O.E.E.C. Countries	2,604.3	43.79	130,440.6	34.31	145,003.1	31.22	+ 11.16
Germany	1,469.2	24.71	12,173.1	3.18	34,873.4	7.48	+ 186.41
Switzerland	350.4	5.89	33,960.1	8.87	25,825.6	5.54	- 25.95
France	227.7	3.83	18,443.8	4.82	17,798.3	3.71	- 6.21
Austria	(1)		6,638.0	1.73	12,289.8	2.64	+ 85.37
Belgium-Luxembourg	98.6	1.66	13,490.4	3.53	11,582.7	2.49	- 14.14
Sweden	96.3	1.62	14,534.3	3.80	9,597.5	2.05	- 33.97
Netherlands	97.7	1.64	7,652.9	2.00	9,065.7	1.95	+ 18.46
Norway	72.3	1.22	6,444.7	1.68	7,577.6	1.63	+ 17.58
Greece	72.3	1.22	4,567.1	1.19	6,405.8	1.33	+ 35.84
Denmark	41.6	0.71	5,089.3	1.33	5,557.1	1.11	+ 1.31
Turkey	53.2	0.89	5,174.0	1.36	4,066.8	0.88	- 21.40
Portugal	25.0	0.42	2,272.9	0.60	2,462.8	0.51	+ 35.84
East Europe	577.0	9.70	24,726.5	6.48	32,857.3	7.07	+ 32.88
Yugoslavia	158.6	2.67	8,588.7	2.24	10,928.7	2.33	+ 27.86
Poland	85.1	1.43	5,993.8	1.57	6,078.2	1.30	+ 1.41
Czechoslovakia	100.9	1.70	4,621.0	1.21	5,772.6	1.24	+ 24.91
U.S.S.R.	0.5	0.008	1,405.7	0.37	5,436.5	1.17	+ 286.62
Hungary	97.8	1.65	922.0	0.24	2,729.6	0.59	+ 196.09
Bulgaria	45.4	0.76	1,213.9	0.32	1,110.9	0.24	- 8.49
Rumania	88.7	1.50	1,981.4	0.52	790.6	0.17	- 60.08
Other Countries - Total	2,284.7	38.42	68,911.5	18.07	87,001.5	18.77	+ 25.35
Argentina	328.0	5.32	45,188.2	11.81	61,215.1	13.13	+ 35.47
Syria					288.4	0.64	
Liban	31.6	0.54	5,489.3	1.44	715.0	0.15	- 16.15
Iran	2.7	0.05	3,112.4	0.82	2,768.4	0.60	- 11.06
Spain	81.5	1.36	2,162.4	0.57	2,547.9	0.55	+ 17.89
Palestine	13.3	0.22	2,034.7	0.53	2,073.3	0.45	+ 1.86
Morocco	36.9	0.62	1,347.7	0.35	1,316.0	0.28	+ 2.38
Finland	27.1	0.45	727.7	0.19	1,461.4	0.31	+ 100.96

(a) These percentages have been calculated on the totale exclusive of the trade with Italian Colonies.

(b) Included in Germany.

The period to which the figures in question refer (namely that between January 1 and September 30 in the respective years) is of particular importance inasmuch as it throws light on some features characterising the evolution of Italy's foreign trade in a very critical moment, namely in the period immediately preceding the first consequences of the 1949 devaluations. This period has been chosen just for this purpose; the figures relating to the last quarter of the year will be given mainly for information in Tables IX in the text and in Tables X and Y of the statistical appendix.

Table V contains in particular Italian imports between January 1 and September 30, 1949 (compared with the same period in the previous year and 1938) distributed according to the following currency areas and political zones:

- 1) sterling area;
- 2) dollar area;
- 3) O.E.E.C. countries (total and continental);
- 4) Eastern Europe (not including Finland);
- 5) the other countries of the world.

The various countries are listed in the groups they belong to according to the importance of the value of imports between January 1 and September 30, 1949. Table VI has been compiled in accordance with the same principles and refers to exports.

The most noteworthy aspects of the development between 1938, 1948 and 1949 may be summed up as follows:

Between 1938 and 1948:

(a) as for imports, the participation of several areas showed marked changes.

There was an increase for:

- 1) dollar area (from 17.48 to 46.83 per cent);
- 2) « other countries » (from 14.43 to 21.82 per cent) (1).

Imports from other zones decreased to the following extent (in order of importance):

- 3) Eastern Europe (from 11.65 to 4.02 per cent);
- 4) continental O.E.E.C. countries (from 41.69 to 14.02 per cent);
- 5) sterling area (from 16.88 to 13.44 per cent):

(b) Exports moved in the following directions between 1938 and 1948:

- (increase)
- 1) sterling area (from 19.45 to 24.16 per cent);
 - 2) dollar area (from 14.92 to 17.28 per cent);
- (decrease)
- 3) other countries (from 38.42 to 18.07 per cent);

(1) « Other countries » correspond to the « rest of the world », after subtracting continental O.E.E.C. countries, the countries of Eastern Europe and the dollar and sterling areas. The principal « other countries » as far as Italy's foreign trade is concerned, are Argentina, Spain and Finland.

4) continental O.E.E.C. countries (from 38.42 to 18.07 per cent);

5) Eastern Europe (from 9.70 to 6.48 per cent);

Between 1948 and 1949:

(a) Imports shifted as follows:

(increase)

- 1) Eastern Europe (from 4.02 to 6.13 per cent);
- 2) sterling area (from 13.48 to 19.26 per cent);
- 3) continental O.E.E.C. countries (from 14.02 to 19.26 per cent);

(decrease)

- 4) other countries (from 21.82 to 13.86 per cent);
- 5) dollar area (from 46.83 to 43.32 per cent):

(b) Exports to the various zones shifted as follows:

(increase)

- 1) sterling area (from 24.16 to 33.25 per cent);
- 2) Eastern Europe (from 6.48 to 7.07 per cent);
- 3) other countries (from 18.07 to 18.77 per cent);

(decrease)

- 4) dollar area (from 17.28 to 9.92 per cent);
- 5) continental O.E.E.C. countries (from 34.21 to 31.22 per cent).

Indeed, in 1938 both imports and exports were distributed more or less as follows: a little more than half referred to Continental Europe (continental O.E.E.C. and Eastern European countries); a little more than a quarter to « other countries »; almost one sixth to the dollar area and a little more than one sixth to the sterling area.

Some characterising features deserve to be noted with regard to this distribution:

1) the fact that Italy's foreign trade was mainly centred in Europe;

2) the practical equivalence of the dollar and sterling areas;

3) the very slight disequilibrium in the total balance of trade despite the disequilibrium in the balances with various zones or areas.

In 1948 the structure of foreign trade was completely different, mainly owing to the greater disequilibrium in the single partial balances with countries with which Italy trades on a clearing basis.

Also the distribution of data among the areas and zones was very different. Continental Europe (continental O.E.E.C. and Eastern European countries) only accounted for about one sixth of the imports and two fifths of the exports. The dollar area surpassed all others with regard to Italian imports (about half) and increased its quota of exports (about one sixth) almost reaching that of « other countries » which, however, participated more extensively in imports (about one fifth) than in 1938.

The equivalence between the sterling and dollar areas ceased, giving to the important part played by the latter with regard to imports.

In Continental Europe the O.E.E.C. countries lost more than the Eastern European countries in the import sector (about two thirds as against one half), but declined far less than the Eastern zone as outlets for Italian goods.

In short, the change in foreign trade current as a whole shown by the data for 1948 is mainly due to the polarisation of imports in the dollar area and overseas countries. This is accompanied by a dispersion of exports, mainly to the detriment of the « other countries » and of the continental O.E.E.C. countries (2).

For 1949, however, the data show a tendency to correct the trend characterising 1948.

With regard to imports Eastern Europe showed the greatest comparative expansion, followed by the sterling area and the continental O.E.E.C. countries. In fact, the European Continent as a whole accounted for one quarter instead of one sixth of imports, while the sterling area accounted for one sixth instead of one seventh. Moreover there was a heavy drop in total imports from overseas (from about one quarter to about one eighth for « other countries ») and a slight drop in imports from the dollar area.

With regard to exports there was a large expansion in sales to the sterling area (from one fourth to one third), while sales to « other countries » remained practically unchanged.

Continental Europe benefited from the progress of Eastern Europe, while there was a slight decline with regard to continental O.E.E.C. countries. Serious losses occurred in the dollar area, sales to which were almost halved. Consequently the European Continent received about two fifths of Italian exports.

In short, the 1949 trend revealed a general expansion of trade with the sterling area and Continental Europe (particularly with Eastern Europe). The part played by « other countries » in Italy's export trade remained practically unchanged, decreasing considerably in the import sector. The dollar area receded both for exports and imports. The concentration of trade in Continental Europe is clearly seen, as well as the drop in trade with the dollar area. In particular, trade shifted considerably towards the sterling area (particularly for exports) and towards « other countries » (also for exports).

5. - The concentration of Italy's foreign trade in Europe.

Is this European (and especially continental) concentration likely to prevail in the immediate future or will there be a resumption in the expansion of trade

(2) It should be remembered that « other countries » refer almost exclusively to overseas areas, with the exception of Finland and Spain.

to overseas countries? In view of present data and forecasts, we are of opinion that Italy's trade with the Continent of Europe is likely to increase, quite apart from the policy of integration and the liberalisation of trade. This opinion may be justified by a more detailed survey of our continental trade and the prospects afforded by the devaluation of the pound and the other currencies which followed it.

The growing Continental European character of Italy's foreign trade becomes apparent from a closer comparative analysis of the participation of Europe and its parts and of other currency areas and zones in trade with Italy and the world.

In order to make this comparison, Table VII should be examined. This Table contains the indices

TABLE VII
RATIO OF ITALIAN TRADE WITH SINGLE MONETARY AREAS OR COUNTRY TO THE WHOLE ITALIAN FOREIGN TRADE
(Indices, 1938=100)

	Imports			Exports		
	1938	1948	1949	1938	1948	1949
Dollar Area	100	268	248	100	116	66
Sterling Area	100	80	105	100	124	171
Other Countries	100	151	96	100	47	49
Europe	100	34	48	100	99	102
Continental O.E.E.C. Countries	100	34	46	100	78	71
East Europe	100	34	53	100	67	73
United Kingdom	100	46	57	100	107	160
Other countries of the sterling area (less United Kingdom)	100	100	181	100	133	177

of the percentual participation of the various areas or zones in Italy's trade with the world:

(a) Italy's participation in European trade fell from 100 in 1938 to 34 in 1948 and 48 in 1949 for imports, while exports were one per cent lower in 1948 than in 1938, but increased two per cent in 1949. Also the recovery of imports between 1948 and 1949 (from 34 to 48) is noteworthy;

(b) trade currents outside Europe all declined between 1948 and 1949, excepting in the sterling area and in the case of exports to « other countries »;

(c) an analytical survey of trade with the sterling area enables us to remark that the rise in imports is to be attributed almost exclusively to countries of the sterling area other than the United Kingdom. In fact, the index number for the participation of the United Kingdom fell from 100 in 1938 to 46 in 1948 and 57 in 1949, while that for the participation of other countries in the sterling area rose from 100 in 1938 and 1948 to 181 in 1949.

For exports, on the contrary, the participation of the United Kingdom increased more than that of the other sterling countries, rising from 107 to 160, while

the participation of the latter countries rose from 133 to 177.

With regard to exports the current of trade with sterling countries outside Europe is much less important than it appears and is to be attributed mainly to the United Kingdom. In the case of imports, on the other hand, it is greater than it appears since it is to be attributed mainly to sterling countries other than the United Kingdom. For this reason the import

extent of 65.88 per cent for imports and 70.09 per cent for exports. In 1948 (nine months) the percentage of imports fell to 64.80 per cent and that of exports to 61.58 per cent. In 1949 (nine months) these two percentages remained stationary: 64.38 and 61.58 per cent.

In 1938 (nine months), the countries of Eastern Europe participated in Italy's trade with Europe to the extent of 18.41 per cent for imports and 15.53 per cent for exports. In 1948 (nine months) the per-

ITALY'S FOREIGN TRADE WITH EUROPE, BY GEOGRAPHICAL AND POLITICAL DISTRIBUTION
FIRST NINE MONTHS 1938, 1948 AND 1949

TABLE VIII

	1938		1948		1949		1949 to 1948
	Millions of lire	%	Millions of lire	%	Millions of lire	%	
IMPORTS							
Continental O.E.E.C. Countries (a)	3,507.1	65.88	87,664.7	64.80	130,314.8	64.38	+ 48.65
Germany and Austria	(2,325.1)	(43.67)	(16,884.7)	(26.88)	(40,628.7)	(30.07)	(+ 140.63)
United Kingdom	536.4	10.10	18,613.1	13.90	56,504.1	13.34	+ 34.08
East Europe (b)	980.3	18.41	25,140.9	18.58	41,480.6	20.49	+ 64.99
Other European Countries (c)	299.6	5.61	3,860.7	2.72	5,680.4	2.79	+ 46.35
Europe - Total	5,322.4	100	135,279.3	100	202,402.3	100	+ 49.80
Continental Europe	4,769.3	89.60	115,919.5	85.68	183,042.5	90.43	+ 57.99
Italy's Foreign Trade - Total (d)	8,541.6	100	627,924.3	100	681,675.6	100	+ 8.56
% of Italian Foreign Trade	62.32		21.54		29.69		
Foreign Trade / Continental Europe	55.83		18.46		26.85		
EXPORTS							
Continental O.E.E.C. Countries (a)	2,604.3	70.09	130,440.6	69.34	115,003.1	61.58	+ 411.11
Germany and Austria	(1,469.2)	(39.54)	(18,811.1)	(9.98)	(47,163.1)	(20.03)	(+ 51.80)
United Kingdom	396.1	10.67	27,445.9	14.59	49,668.2	21.11	+ 80.97
East Europe (b)	377.1	15.53	24,726.5	13.12	32,857.3	15.95	+ 32.88
Other European Countries (c)	138.5	9.71	5,763.2	3.05	7,912.5	3.36	+ 49.80
Europe - Total	3,715.8	100	188,376.2	100	235,441.1	100	+ 24.98
Continental Europe	3,042.8	81.88	158,057.2	83.90	181,872.9	77.24	+ 15.06
Italy's Foreign Trade - Total (d)	7,502.7	100	382,655.9	100	466,061.8	100	+ 21.80
% of Italian Foreign Trade	49.47		49.22		50.51		
Foreign Trade / Continental Europe	40.31		41.30		30.02		

(a) Germany, Switzerland, France, Austria, Belgium-Luxembourg, Sweden, Netherlands, Norway, Denmark, Turkey, Portugal.

(b) Yugoslavia, Poland, Czechoslovakia, USSR, Hungary, Bulgaria, Rumania.

(c) Spain, Finland, Gibraltar, Ireland, Malta.

(d) Total trade (imports and exports) between Italy and the other countries of the world.

peak is part of the general dislocation of Italian purchases from overseas and must be considered together with that of the dollar area.

Equally interesting are the indices of participation of the various European zones in the whole of Italy's trade with Europe, which are given in Table VIII. This Table contains the data and percentages referring to Italy's trade with Europe, with continental Europe and with certain European zones (continental O.E.E.C. countries, Eastern Europe, « other European countries », the United Kingdom, Austria and Germany). As usual, the data and indices refer to the first nine months of the years 1938, 1948 and 1949.

In 1938 (nine months) the continental O.E.E.C. countries participated in Italo-European trade to the

percentage of participation rose to 18.58 per cent for imports and fell to 13.12 per cent for exports. In 1949 (nine months) these percentages rose respectively to 20.49 and 15.95 per cent.

Among the data in Table VIII, those referring to Austria and Germany deserve special attention, since it was to these Central European countries that Italy's trade was concentrated in the past (3). In 1938 (9 months) they accounted for 43.67 per cent of Italy's imports and 39.54 per cent of its exports in the Euro-

(3) The indices for the participation of the United Kingdom have already been commented upon. Those referring synthetically to « other European countries » are of little interest owing to the similarities existing in this group of countries.

pean sector. In 1948, as an immediate consequence of the war, these percentages had fallen to 26.88 and 9.98 per cent respectively. In 1949 their participation in imports dropped to 20.07 per cent, while their participation in exports rose to 20.03 per cent.

The above statistical survey not only proves the «concentration» of Italy's foreign trade in Continental Europe and Europe in general, but shows that special progress has been made in Central and Eastern Europe and testifies to the fact that Italy is gradually re-conquering these markets.

It remains to be seen if, and to what extent, the devaluations of September 1949 may have strengthened or weakened the trends we have mentioned.

6. - *Trend of Italy's foreign trade between September 30 and December 31, 1949 and the effects of currency devaluations.*

In the considerations made hereafter, the provisions anticipated as the consequences of the September devaluations will be compared with the data concerning the last 1949 quarter. These data and the relative indices may be found in the Tables X and Y of the statistical Appendix and in Table IX in the text.

The Tables of the Appendix contain data referring to imports and exports at the end of 1938, 1948 and 1949, distributed according to currency areas and political zones. They correspond to Tables V and VI and are given in the form of a complete analysis for the purpose of comparison.

Table IX shows participations in the various currency areas or political zones at the end of September and at the end of December 1949 and the respective percentages of increase and decrease. The indices contained in Table IX will be briefly commented upon in the following remarks:

(a) the anticipations with regard to imports have proved correct; in fact the participation of the sterling area has remained almost unchanged (as a matter of fact it has dropped 0.8 per cent), above all

because the sterling credits assessed at that time have not yet been utilised.

When the devaluations occurred, the most serious effects were expected in the export sector. There has in fact been a drop of 8.10 per cent in the participation percentage for Italian sales to the sterling area, namely a bigger drop than in any other zone or area connected with Italian trade.

In short, we may say that though currency devaluations have not increased Italian purchases in the sterling area, they have checked the expansion of Italian sales, altogether reducing the sterling balance «peak» considerably in favour of trade with continental Europe;

(b) likewise, forecasts regarding larger trade currents between Italy and continental O.E.E.C. countries proved correct. There was a 0.99 per cent increase in imports and an 8.42 per cent increase in exports in the participation of this group of countries in Italian trade;

(c) trade with Eastern Europe also increased and its participation was 2.72 per cent higher for imports and 8.48 per cent for exports;

(d) the reaction anticipated with regard to the dollar area appear to have proved only partly correct. There was an appreciable drop in the latter's participation in imports (-4.04%). It should be remarked however that this drop was lower than might have been expected in view of the year's trend.

The effect on exports was more marked: participation increased 3.31 per cent despite keener international competition. This is a most interesting result, particularly if it is compared with the decline (24 per cent) in said participation between the end of 1948 and the end of 1949.

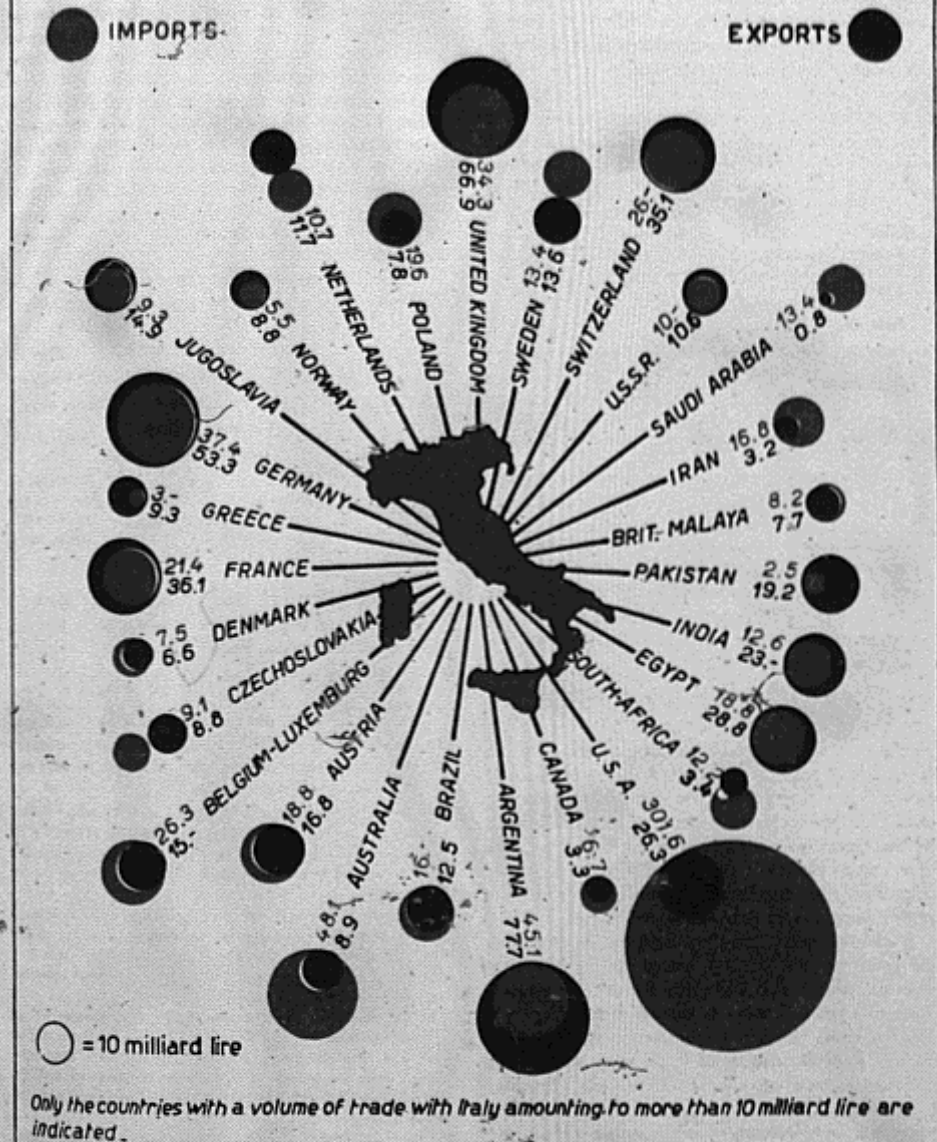
(e) Also trade with «other countries» (mainly with Argentina) followed the trend anticipated at the time of the devaluation: there was a 2.09 per cent decrease in the participation in imports and only a 6.24 per cent drop in the participation in export. It should be mentioned that between the end of 1948

TABLE IX

PERCENT OF PARTICIPATION OF SINGLE AREAS TO ITALY'S FOREIGN TRADE AT SEPTEMBER 30 AND DECEMBER 31, 1949 (millions of lire)

	IMPORTS			EXPORTS		
	30/9/49	31/12/49	% increase or decrease, 31/12/49 to 30/9/49	30/9/49	31/12/49	% increase or decrease, 31/12/49 to 30/9/49
Sterling Area	17.72	17.58	- 0.80	33.25	30.63	- 8.10
Dollar Area	43.52	41.57	- 4.04	9.92	10.25	+ 3.31
O. E. E. C. Countries	(26.27)	(26.01)	- 0.99	(42.28)	(44.76)	+ 5.86
Continental O. E. E. C. Countries	19.16	20.73	+ 0.99	31.22	33.85	+ 8.42
East Europe	6.15	6.30	+ 2.72	7.07	7.67	+ 8.48
Other Countries	13.86	13.82	- 0.29	18.77	17.60	- 6.24
Total	100	100		100	100	

ITALY'S IMPORTS AND EXPORTS IN 1949 BY COUNTRIES (Milliards of lire)



and the end of 1949 the quota of imports accounted for by « other countries » dropped about 30 per cent while that of exports decreased about 15 per cent.

On the whole the changes occurring in Italy's foreign trade between September 30 and December 31, 1949 still further stressed its tendency to be concentrated within Europe to the detriment of other parts of the world (see Table X).

TABLE X

ITALY'S FOREIGN TRADE WITH EUROPE
1938, 1948 AND 1949
(millions of lire)

	1938	1948	1949	
			First 9 months	Whole Year
Imports				
1) Europe	7,067.2	193,715.1	202,402.3	270,522.2
2) Total	11,273.1	822,132.4	681,675.6	835,062.2
3) % of 1) to 2)	62.68	23.47	29.69	31.63
Exports				
4) Europe	5,429.9	264,555.6	235,441.1	338,682.5
5) Total	10,497.5	570,621.9	446,061.8	632,566.5
6) % of 4) to 5)	51.72	46.36	52.67	53.54

(a) Total-trade (imports) between Italy and the other countries of the world.

(b) Total trade (exports) between Italy and the other countries of the world.

This increased « concentration » is confirmed by the indices for European participation which rose from 29.69 per cent (September 30) to 31.63 per cent (December 31) for imports and from 52.67 per cent (September 30) to 53.54 per cent (December 31) for exports (see Table X).

7. - The Exports drive policy.

The most important characteristic in the trend of Italy's foreign trade at the end of 1949 was undoubtedly the fact that exports did not decline. As we have seen, they increased 5 per cent in value during the last quarter as compared with the before last and 1 per cent as compared with the first quarter. Compared with 1948 they increased about 12 per cent in current value and 17 per cent in real values.

A comparison between the indices for the quantities and prices of the goods exported during the first three quarters of 1949 and those for the last quarter shows that the real value of exports remained practically the same. In fact the indices for the quantities exported show an increase of 13 per cent, while those for prices show a decrease of 14 per cent. Further, if the indices for the quantities exported between September and December 1949 are considered, the quantities exported are seen to have risen from 99.8

to 133.9 (+ 36 %). Export prices moreover have not decreased, but have risen 1 per cent on an average (4).

Under these conditions, it is very interesting to consider the part actually played by the export drive policy on their expansion. In order to give our readers some idea of the importance of this policy, we will give some details regarding the financing of exports. This financing takes the form of advances which the Italian Foreign Exchange Control Board receives from the Bank of Italy in order to purchase the foreign currency coming into the country in exchange for goods exported from exporters or to free the latter from credits with abroad.

The advances made by the Bank of Italy to the Italian Foreign Exchange Control Board are entered in a current account opened by the latter with the Bank of Issue. Since this account represented the most important item coming under the heading of « Sundry debtors » (Debitori diversi) in the balance-sheets of the Bank of Italy, we shall base the following consideration on it.

Table XI shows the quarterly changes in the « Debtors' Account » in the two periods considered:

QUARTERLY CHANGES IN THE « SUNDRY DEBTORS' ACCOUNT »

(advances to the Italian Foreign Exchange Control Board by the Bank of Italy)
(billions of lire)

Quarters	Quarterly increases in the Debtors' Account		Percentage of increase in 1949 as compared with 1948
	1948	1949	
First quarter	11.4	66.8	466 %
Second quarter	33.8	52.4	55 %
Third quarter	72.1	82.9	14 %
Fourth quarter	44.2	61.2	47 %

As will be seen, the ratio between the balances of the « Sundry Debtors' Account » and consequently, roughly, the ratio between the advances in the two

(4) See « Statistica del commercio con l'estero » - Central Institute of Statistics - December 1949, No. 12 - Tables 2 to and 2 quarter - pages 8 and 9. The percentages in the text refer to the last quarter as compared with the average for the first three.

According to the most recent figures, which refer to January 1950, the value of exports amounts to 52,937 million lire. Compared with December 1949, therefore, there is a decrease of about 13 per cent (only 0.42 per cent as compared with the 1949 average: 52,713 million lire).

The indices for the quantities exported in January fell 19 per cent as compared with December 1949 and 4 per cent as compared with the yearly average. On the other hand price indices show an increase of 1 per cent as compared with the end of 1949 and of about 2 per cent as compared with the yearly average.

See « Statistica del commercio con l'estero » - January 1950, No. 1.

periods, changes from 486 % in the first quarter of 1949 (as compared with the first quarter of 1948) to 55 and 14 per cent in the two following quarters, only rising to 42 per cent in the last quarter.

Statistical records of this kind might lead one to suppose that the contributions made by the Treasury towards the financing of exports are following a downward trend and to attribute great weight to the change in the Government's policy in this sector. But a more accurate scrutiny leads to quite different if not opposite conclusions.

If the quarterly increases in the « Debtors' Account » are referred to the quarterly changes in exports in each period, an approximate index number of the financing of said exports is obtained. The index numbers in Table XII, calculated on this basis,

TABLE XII
DATA AND INDICES RELATING TO THE FINANCING OF EXPORTS DURING THE FIRST NINE MONTHS OF 1948 AND 1949

	billions of lire	Indices (a)	billions of lire	Indices (a)
First quarter	11.4	(c)	66.8	(c)
	— 12.2		— 29.3	
Second quarter	33.8	17 %	52.4	(c)
	28.8		— 4.12	
Third quarter	72.1	279 %	82.9	(c)
	12		— 1.7	
Fourth quarter	44.2	10 %	61.2	720 %
	40	(b)	7.7	

(a) The indices have been calculated by dividing the quarterly increase in the « Debtors' Account » by the quarterly variation in exports and placing the quotient on a centesimal basis.

(b) The drop of the index number to negative values is mainly due to the boom in exports which characterised the fourth quarter of 1949.

(c) No index number can be calculated as the variation in exports in this quarter is negative. The figure given as numerator for the ratio represents the quarterly balance of the « Debtors' Account » which increased as a whole despite the absolute decline in exports.

show that there was an increase and not a decrease in this form of financing (in relation to the value of exports) in 1949.

The indices of financing which were positive and often very high during the last nine months of 1948 cannot be calculated in the first three quarters of 1949 owing to the negative values of the quarterly balances for exports; against the latter there is the enormous variation in the index in the last quarter of 1949 (720 per cent) which seems to have come on purpose to check a potential drop in exports. The foregoing may be taken as proof that the increase in the absolute figures of the balances of the « Debtors' Account » in 1949 as compared with 1948 helped to check a greater decline in exports and, during the last quarter, to achieve a slight increase. The same considerations would also appear to point to the conclusion that the decline in the export boom during the whole of 1949 was attributed chiefly to the change in international conditions or, at most, to measures other than the purchase of foreign currency from exporters (who are thus replaced as creditors with abroad).

Lastly, Table XIII gives us the possibility of assessing another important aspect of the export drive policy at March 31, 1950 — namely the total bulk of credits which have accumulated with foreign countries resulting from the clearing accounts.

TABLE XIII

CASH POSITION OF CLEARING ACCOUNTS WITH THE SEVERAL COUNTRIES March 31, 1950

Countries	Total available amounts (lire)	
	in Italy	on abroad
Belgium	2,542,000	—
France (« A » Account-France)	1,673,914	26,755,886
France (« A » Account-Lire)	—	—
Yugoslavia	27,664,441	7,233,559
Norway	158,157	336,122
Poland	519,225	1,980,054
Spain	1,170,927	1,378,352
Sweden	—	6,155,359
Turkey	305,556	944,103
Hungaria	869,392	30,608
U.S.S.R.	1,374,737	—

STATISTICAL APPENDIX (C)

ITALIAN BUDGET SUMMARY - ASSESSMENTS AND OBLIGATIONS (in milliards of lire)

Table A

Financial year beginning 1st July	Assessed revenue					Engaged expenditure					Surplus or deficit		
	Current revenue			Movement of capital	Total	Current expenditure			Movement of capital	Total	Current revenue and expenditure	Movement of capital	Total
	Recurrent	Non recurrent	Total			Recurrent	Non recurrent	Total					
1938-39	27	0.9	28	3	31	23	17	40	2.8	43	- 12	0.2	- 11.8
1945-46	123	3	128	92	220	160	349	509	44	553	- 381	48	- 131
1946-47	346	6	352	335	687	318	614	933	303	1,235	- 580	31	- 549
1947-48	687	125	812	95	907	865	734	1,599	160	1,759	- 787	- 65	- 852
1948-49	918	69	987	31	1,019	796	602	1,398	96	1,494	- 411	- 64	- 475
July 1949													
February 1950	685	204	889	166	1,055	589	434	1,023	80	1,103	- 134	- 86	- 48

Source: *Conto riassuntivo del Tesoro*.

ITALIAN BUDGET SUMMARY - CURRENT REVENUE, BY MAIN CATEGORIES (a)

Table B

	1946-47		1947-48		1948-49		1949-50 (b)	
	millions of lire	%	millions of lire	%	millions of lire	%	millions of lire	%
Revenue from taxation:								
— recurrent	308,373	87.60	643,071	77.28	905,328	81.73	906,746	77.98
— non recurrent	13,896	3.95	67,183	8.07	67,038	6.05	61,670	5.31
Total	322,271	91.55	710,256	85.35	972,366	87.78	968,416	81.19
Other revenue:								
— real estate revenue	29,729	8.45	68,439	8.23	63,851	5.77	73,652	4.23
— American aid	—	—	23,446	3.06	71,433	6.45	120,715	12.46
— A.U.S.A. funds	—	—	—	—	—	—	—	—
— Interim aid funds	—	—	28,000	3.36	—	—	—	—
Grand total	352,000	100	832,141	100	1,107,670	100	1,162,783	100

(a) Revenue assessed in the period on the basis of the provisional assessments at the end of financial year.

(b) Estimates.

Source: *Report on Italy's Economic Situation*, submitted to the Parliament by the Minister of the Treasury, January 30, 1950.

ITALIAN INTERNAL NATIONAL DEBT (in milliards of lire - Index Numbers, 1938=100)

Table C

End of period	Consolidated and others		Redeemable debt		Floating debt					Total of internal national debt		
	Amount	I. N.	Amount	I. N.	Treasury bills	Interest bearing current accounts by the Bank of Italy	Total		Treasury notes	Amount	I. N.	
							Amount	I. N.				
1938 June	53	100	49	100	9	20	1	30	100	1.5	133.5	100
1945 "	53	100	206	420	157	93	331	581	1,936	7.3	847.3	635
1946 "	53	100	278	567	239	146	343	728	2,426	7.3	1,066.3	799
1947 "	53	100	499	875	279	175	366	820	2,733	6.6	1,308.6	980
1948 "	53	100	429	875	279	175	366	820	2,733	6.6	1,308.6	980
1949 March	53	100	392	800	720	371	470	1,561	5,203	8.3	2,014.3	1,509
June	53	100	392	800	744	479	470	1,693	5,643	8.4	2,146.4	1,608
September	53	100	392	800	769	498	470	1,737	5,790	8.5	2,190.5	1,617
December	53	100	388	792	782	574	470	1,826	6,057	8.8	2,275.8	1,705
1950 January	53	100	388	793	744	694	470	1,909	6,363	8.9	2,358.9	1,780
February	53	100	388	792	736	650	541	1,927	6,423	8.9	2,376.9	1,780

Source: *Conto riassuntivo del Tesoro*.

(*) See explanatory notes in No. 3, October 1947 (p. 197) and No. 8, January-March 1949 (p. 70).

DEPOSITS AND CURRENT ACCOUNTS OF ITALIAN BANKS (a) (millions of lire)

Table D

End of the period	Time and Demand Deposits			Current Accounts (b)			% of 1948	Total		
	Amounts outstanding	Quarterly changes	Index number	Amounts outstanding	Quarterly changes	Index number		Amounts outstanding	Quarterly changes	Index number
1947 - December	528,516	—	100	485,373	—	100	91.8	1,013,889	—	100
1948 - March	601,800	+ 73,284	113.7	527,708	+ 42,335	108.8	87.7	1,129,508	+ 115,619	111
June	651,375	+ 49,575	123.0	609,763	+ 82,055	123.7	93.6	1,261,138	+ 131,630	124
September	740,402	+ 89,117	140.1	664,620	+ 54,857	136.9	89.7	1,405,112	+ 143,974	138
December	822,497	+ 65,005	152.4	714,781	+ 50,161	147.4	88.7	1,529,278	+ 115,166	149
1949 - March	845,176	+ 39,679	160.0	774,422	+ 59,641	159.5	91.6	1,619,598	+ 99,320	159
June	860,839	+ 15,663	162.8	811,444	+ 37,022	167.8	94.0	1,672,303	+ 52,705	164
September	949,220	+ 88,361	179.6	856,361	+ 45,517	176.5	90.2	1,805,781	+ 133,078	178.1
December	1,015,937	+ 66,717	192.2	932,787	+ 76,226	192.1	91.8	1,948,724	+ 143,943	192.2

(a) The data refer to 365 banks (commercial and savings banks) which hold about 99 % of the total deposits collected by all Italian banks.

(b) Interbank current accounts are excluded.

Source: *Bollettino* of the Bank of Italy.

COMPOSITION OF ASSETS OF ITALIAN BANKS, DECEMBER 31, 1948 - DECEMBER 31, 1949 (a) (millions of lire)

Table E

Items	New Series (b)				
	31/12/48	31/3/49	30/6/49	30/9/49	31/12/49
Amounts outstanding					
Cash and sums available at sight	169,048	157,046	151,813	102,388	228,140
Fixed deposits with the Treasury and other Institutions	177,748	207,785	231,277	269,664	265,898
Government Securities (c)	414,200	439,215	446,226	427,140	—
Credits to clients (d)	1,120,700	1,179,011	1,234,778	1,355,130	1,486,444
Index Numbers: 31-12-1948=100					
Cash and sums available at sight	100	92.9	89.8	60.5	134.9
Fixed deposits with the Treasury and other Institutions	100	116.9	130.1	151.6	149.4
Government Securities (c)	100	106.0	107.7	103.1	—
Credits to clients (d)	100	105.2	110.3	120.8	132.5
% of deposits and c/a					
Cash and sums available at sight	11.1	9.7	9.1	9.0	11.7
Fixed deposits with the Treasury and other Institutions	11.7	12.8	13.8	14.9	13.6
Government Securities (c)	27.2	27.2	26.7	23.6	—
Credits to clients (d)	37.7	42.8	43.8	49.0	66.5

(a) The data refer to 365 banks (commercial and savings banks) which hold about 99 % of the total deposits collected by all Italian banks.

(b) The Bank of Italy has revised the quarterly series on banking assets, beginning from December 1948. For back figures (old series) see, *Recent Banking Developments in Italy*, this Review, no. 11, October-December 1949, pp. 230-231.

(c) Treasury bills and other Government securities.

(d) Includes: bills on hand (portafoglio), contangoes (riporti), advances (anticipazioni), current accounts (conti correnti), loans recoverable on salaries (prestiti su pegno e contro cessione stipendio), loans (mutui), current accounts with sections for special credits (conti correnti con le sezioni speciali), credits abroad (impieghi all'estero), non-Government securities (titoli non di Stato).

Source: *Bollettino* of the Bank of Italy.

UNEMPLOYMENT IN ITALY BY CLASSES (a)

Table H

End of period	Employed persons and pensioners seeking other jobs	Housewives seeking first job	Young people under 21 or ex-servicemen seeking first job	Unemployed formerly employed	Total		
					absolute figures	Index numbers	of which women
1948 October	77,781	193,810	306,171	1,175,425	1,752,187	100	609,205
December	87,386	211,671	363,785	1,498,429	2,161,271	123.3	679,502
1949 March	92,073	203,261	395,821	1,440,338	2,133,493	121.8	656,596
June	83,637	180,406	353,287	1,198,438	2,015,768	103.6	600,483
September	79,107	159,319	344,801	1,139,348	1,722,375	98.3	561,871
October	79,580	159,112	350,905	1,151,422	1,741,019	99.4	573,307
November	84,083	163,925	371,172	1,221,076	1,840,256	105.0	595,690
December	88,833	173,910	405,268	1,387,595	2,055,066	117.3	630,200
1950 January	94,244	175,677	418,718	1,420,591	2,109,230	120.4	621,155
February	94,386	174,418	419,796	1,355,501	2,052,101	117.1	613,191

(a) See Explanatory Notes in n. 8 of this Review (pag. 71, « Unemployment »).

Source: Ministry of Labour.

UNEMPLOYMENT IN ITALY BY ECONOMIC SECTORS (a)

Table O

End of period	Agriculture		Industry		Transports and Communications		Trade, Credit and Insurance		Miscellaneous Industries		Employees	
	Thousands	%	Thousands	%	Thousands	%	Thousands	%	Thousands	%	Thousands	%
1949:												
September	278.21	16.2	942.03	54.7	19.35	1.1	44.06	2.5	354.49	20.6	84.43	4.9
October	286.80	16.6	949.97	54.5	18.68	1.1	45.54	2.6	355.74	20.4	84.29	4.8
November	318.94	17.1	995.05	54.1	19.60	1.1	47.59	2.5	372.55	20.2	86.52	4.7
December	371.71	18.1	1,116.30	54.3	21.26	1.0	51.49	2.5	402.39	19.6	92.45	4.5
1950:												
January	387.51	18.4	1,138.59	54.0	21.85	1.0	53.59	2.5	416.01	19.7	91.75	4.4
February	374.65	18.3	1,101.76	53.7	20.90	1.0	51.20	2.5	415.86	20.2	87.74	4.3

(a) See totals in Table N, column 5.

Source: Ministry of Labour.

MIGRATORY MOVEMENT FROM 1946 TO 1949

Table P

Year	Continental Europe		Transoceanic Countries		Total		
	Thousands	% of total	Thousands	% of total	Thousands	Index No. 1946=100	Per 100 inhabitants
1946	41.9	85.5	7.1	14.5	49.0	100	0.11
1947	98.2	62.1	60.0	37.9	158.2	323	0.35
1948	80.8	42.1	111.0	57.9	191.8	391	0.42
1949 (a)	43.9	22.1	135.0	77.9	198.9	406	0.43

(a) Provisional data.

Source: Report on Italy's Economic Situation, submitted to the Parliament by the Minister of the Treasury, January 30, 1950.

INDEX NUMBERS OF AGRICULTURAL AND FORESTRY PRODUCTION IN ITALY: 1947-1949
(1938=100)

Table Q

Products	1947	1948	1949 (a)
<i>Agricultural production:</i>			
Cereals	77.2	84.0	89.5
Legumes	59.7	75.7	81.9
Potatoes & fresh vegetables	77.6	90.0	95.2
Industrial plants	109.8	118.2	114.4
Tree & bush fruit crops	83.8	97.0	91.7
Products of 1st processing: plants	110.8	97.1	106.5
Products of 1st processing: animal	92.1	79.3	87.2
<i>Forestry products:</i>			
Woody	99.0	103.9	102.6
Non-woody	117.7	110.2	113.5
<i>General Index number of agricultural and forestry production</i>	78.3	85.1	90.1

(a) Provisional data.

Source: Report on Italy's Economic Situation, submitted to the Parliament by the Minister of the Treasury, January 30, 1950.

ITALY'S PRINCIPAL AGRICULTURAL PRODUCTS

Table R

Products	Average 1936-39			1948			1949		
	Surface (thousands of hectares)	Production		Surface (thousands of hectares)	Production		Surface (thousands of hectares)	Production	
		Total (thousands of m. tons)	Per ha. (quintals)		Total (thousands of m. tons)	Per ha. (quintals)		Total (thousands of m. tons)	Per ha. (quintals)
Wheat	5,116.2	7,508.0	14.8	4,662.5	6,144.4	13.2	4,723.4	6,940.3	14.7
Rice	148.7	776.8	52.2	142.7	618.8	43.4	131.8	590.9	44.8
Maize	1,457.6	2,960.2	20.3	1,243.6	2,249.8	18.1	1,238.4	2,202.4	17.3
Beans	494.8	163.2	3.3	501.8	159.8	3.2	500.3	126.3	2.5
Potatoes	401.1	2,716.5	67.6	406.0	3,010.7	74.1	390.5	2,612.1	67.0
Tomatoes	56.9	952.3	167.3	68.0	965.8	142.0	75.1	7,075.3	143.2
Sugar beets	134.7	3,271.6	242.8	112.7	3,408.6	302.4	126.3	3,451.2	173.3
Tobacco	32.8	42.5	58.3	74.4					
Cotton	27.4	15.5	15.2	6.6			17.5	4.8	
Olive		1,426.3		636.2				1,089.7	
Olive oil		229.3		97.8				179.3	
Grapes		6,158.6		5,790.8				5,995.9	
Wine (in hectolitres)		3,824.7		3,561.3				3,577.6	

Source: Bollettino Mensile di Statistica, of the Central Institute of Statistics.

LIVESTOCK IN ITALY

Table S

Description	1000 Head		Index No. 1934-39=100
	1947-48	1948-49	
Horses & mules	7,400	7,923	107.1
Swine	10,900	11,608	106.9
Sheep & goats	3,100	3,757	125.8
Cattle	1,530	1,566	77.3
<i>Total in big head (a)</i>	10,537	11,276	102.4

(a) 1 big head = 1 head of cattle, 1 horse, 6 pigs, 10 sheep.

Source: Report on Italy's Economic Situation, submitted to the Parliament by the Minister of the Treasury, January 30, 1950.

ITALIAN INDUSTRIAL PRODUCTION INDEX (a)

(unadjusted - monthly average 1938=100)

Table T

Year or month	General Index	Mining	Manufactures									Electric Power
			Total	Textiles	Lumber	Paper	Rubber	Chemicals	Petroleum and coal products	Non-metallic ores	Metal-lurgy	
1947 - Average	93	95	85	92	67	70	91	85	82	90	75	134
March	83	94	76	88	65	66	87	70	50	75	65	119
June	103	99	93	98	77	74	96	100	94	93	86	154
September	100	108	93	104	74	78	107	93	104	83	77	135
December	91	88	82	82	52	62	100	90	122	100	73	137
1948 - Average	98	88	89	91	54	74	102	93	124	94	86	149
March	94	91	86	86	58	74	95	88	118	89	89	137
June	100	90	90	86	60	71	87	94	127	93	104	158
September	100	99	100	98	56	88	115	107	153	100	104	160
December	102	88	94	94	50	90	127	99	154	98	93	150
1949 - Average	104	107	98	99	57	86	115	101	165	109	92	131
March	98	103	94	101	58	80	107	93	167	98	82	118
June	115	108	107	103	62	92	121	120	159	120	109	158
September	108	121	103	104	61	89	116	108	177	113	98	132
December	107	119	99	95	55	95	124	99	175	113	101	142
1950 - Average												
January	107	127	98	97	58	96	131	99	171	104	97	149
February	102	118	95	96	50	93	122	94	150	104	94	134

(a) We give in this Table the Italian industrial production indexes with base 1938=100 as calculated by the Central Institute of Statistics and published for the first time in the April 1949 issue of the Monthly Bulletin of Statistics. These data are to be considered as merely indicative; see also the article of P. BATTARA, *Index Numbers of Industrial Production and Capitalization in Italy*, in issue No. 9 of this Review, p. 118 et seq.

Source: *Bollettino Mensile di Statistica*.

ITALIAN CONSUMPTION OF SOLID AND LIQUID FUELS, ELECTRIC ENERGY AND NATURAL GAS
(Bituminous Coal Equivalent - in thousands of metric tons) (a)

Table U

Description	1938	1947	1948	1949	1949			
					March	June	Sept.	Dec.
Coal and lignite:								
Domestic	120	95	92	95	100	108	100	90
Imported	960	700	716	786	860	840	760	765
Petroleum Products: Imported (b)	371	420	410	493	480	430	595	570
Electric Energy:								
Domestic	894	4,100	1,213	1,012	865	1,306	1,004	1,073
Imported	879	4,092	1,202	1,001	758	1,294	995	1,056
Imported	15	8	11	7	7	12	9	17
Natural Gas: Domestic								
Domestic	2	10	13	27	23	22	31	45
Grand Total:								
Domestic	2,347	3,225	2,444	2,413	2,228	2,706	2,490	2,543
Imported	1,001	1,197	1,307	1,123	881	1,424	1,126	1,191
Imported	1,346	1,128	1,137	1,290	1,347	1,282	1,346	1,352
Index Numbers - Grand Total:								
Total Domestic	100	99	104	103	95	115	106	108
Total Domestic	100	120	111	112	88	142	112	119
Total Imported	100	84	84	96	100	95	101	100

(a) 1.00 metric ton bituminous coal = 1 metric ton anthracite = 1.33 metric ton Salsia and Triestino = 1.42 metric ton Pietra Lignite = 4.77 metric tons Xiloido Lignite = 0.57 metric ton petroleum products = 1.0 petroleum coke = 1.176-50 kWh = 667 cubic meters of natural gas.

(b) Practically all the crude processed in Italian refineries is imported. Consequently, petroleum products have all been considered as imported.

Source: *Statistical Bulletin of the E.C.A. Special Mission to Italy*.

PRODUCTION IN SOME ITALIAN INDUSTRIAL BRANCHES
(annual averages)

Table V

Industries	Production				Index Numbers, 1938=100		
	1938	1947	1948	1949	1947	1948	1949
Minerals:							
Iron Ores (thousands of m. tons)	989.8	226.3	243.3	520.8	22.86	24.87	51.60
Quick-silver (thousands of m. tons)	156.6	119.6	103.9	184.2	101.9	66.34	79.31
Zinc (thousands of m. tons)	200.8	116.1	146.7	150.4	57.81	73.05	74.90
Lead (thousands of m. tons)	67.5	37.4	47.4	57.6	55.40	70.22	85.33
Pyrites (thousands of m. tons)	930.3	642.4	835.0	866.2	69.05	89.63	93.10
Sardinian Coal (thousands of m. tons)	465.8	1,208.3	861.7	1,014.1	258	185	217.7
Xiloid lignite (thousands of m. tons)	704.2	1,410.4	681.7	604.7	800.3	96.80	85.87
Sulphur (thousands of m. tons)	16.8	19.0	15.4	19.5	113	91.66	116
Petroleum (thousands of m. tons)	13.2	10.5	9.2	9.2	79.54	69.69	69.69
Natural gas (millions of m3)	17.1	93.5	117.1	236.2	546	685	1,381
Marble (thousands of m. tons)	323.1	218.8	170.5	194.7	67.70	52.77	60.24
Electric Industry:							
Electric power (hydraulic and thermic) - millions of kWh	13,142.8	17,915.9	19,627.2	17,604.3	136.31	149.79	133.94
Iron Industry:							
Pig-iron (thousands of m. tons)	862.8	318.0	449.4	392.8	36.85	51.08	45.32
Crude steel (thousands of m. tons)	2,322.9	1,691.5	2,125.1	2,053.5	72.81	91.05	88.48
Hot rolled steel (thousands of m. tons)	1,734.6	1,246.7	1,490.9	1,595.0	71.87	85.95	91.95
Engineering Industry:							
Automobiles (number)	...	19,956	52,703	77,545	...	...	...
Trucks (number)	...	12,521	6,704	8,779	...	...	...
Railway carriages (number) (c)	...	6,122	7,159	4,330	...	...	...
Sewing machines (number)	...	88,673	137,344	230,751	...	...	...
Typing machines (number)	...	70,678	71,481	87,625	...	...	...
Chemical Industry:							
Sulphuric Acid (thousands of m. tons)	1,721.3	1,396.4	1,520.0	1,819.0	81.12	88.30	106.25
Sodium Carbonate (thousands of m. tons)	325.0	367.7	358.1	373.1	113.14	110.18	114.80
Caustic Soda (thousands of m. tons)	165.0	222.1	230.2	215.0	134.6	139.51	130.30
Phosphate fertilisers (thousands of m. tons)	239.0	170.6	194.1	244.2	71.38	81.21	102.17
Nitrogenous fertilisers (thousands of m. tons)	97.1	75.1	103.3	100.8	77.34	106.38	105.82
Textile Industry:							
Cotton:							
Yarn Production (thousands of m. tons)	178.4	187.5	194.5	209.1	105.60	109.02	107.20
Fabric Production (thousands of m. tons)	135.3	119.5	127.1	135.2	88.33	94.45	100
Wool:							
Yarn Production (thousands of m. tons)	64.8	82.4	86.4	87.2	127.16	133.33	134.56
Fabric Production (thousands of m. tons)	50.4	39.9	43.5	43.1	79.16	86.30	85.47
Artificial Fibres (thousands of m. tons)	124.8	78.9	70.3	91.0	63.22	56.33	72.91

(c) Passenger and freight cars.

Source: *Bollettino Mensile di Statistica*, of the Central Institute of Statistics, *Monthly Statistical Bulletin*, of the E.C.A. Special Mission to Italy.

NATIONAL INCOME 1938, 1947, 1948 AND 1949
(milliards of Lire)

Table W

Description	1938	1947		1948		1949	
	Current Lire	Current Lire	1938 Lire (S)	Current Lire	1938 Lire	Current Lire	1938 Lire
National income at market prices	134.32	5,423	105.11	6,381	117.23	6,691	129.43
Plus: Income from abroad and grants	0.56	183	3.55	232	4.63	252	4.87
Equals: National income	134.88	5,606	108.66	6,613	121.86	6,943	134.32
Plus: Capital consumption allowances	14.00	589	11.42	610	11.21	560	10.83
Equals: Gross national product	148.88	6,195	120.08	7,223	133.07	7,503	145.15

(a) Current lire have been converted in 1948 lire on the basis of the wholesale price index compiled by Central Institute of Statistics.

Source: *Report on Italy's Economic Situation*, submitted to the Parliament by the Minister of the Treasury, January 30, 1950.

