

Ecosystem Services in Floodplains

edited by
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dal medioevo all’età contemporanea”

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Land reclamation and credit in Italy from Unification to the Fascist age

Elisabetta Novello

1. Introduction

A great deal of historical-geographical and historical-town planning research has reconstructed man's environmental intervention, the evolution of settlement conditions and the development of productive forces in Italy. Historiography has shown renewed interest in issues such as river and stream regulation, colonisation and land estate transformation, the elimination of malaria and everything encompassed by the wider conception of land reclamation. However, an overview study concentrating on the relationship between management of the environment and the availability of economic resources and the more strictly financial issue, access to credit difficulties and the short and long term commitment of the state and the private sector to bringing work to fruition is still absent.

An analysis of the legal framework reveals the determinant impact of the Padua-Veneto reclamation tradition which developed during the Serenissima period on the legislative choices taken from Italian Unification until the late 19th century. Faced with the complex problem of draining its marsh lands, the Italian state borrowed the consortium formula on the basis of the example of practicality and efficiency it had provided in the past. Undoubtedly, the association model was the most affordable for the new kingdom in financial terms and the most coherent with its liberal principles. For some time there was no attempt to take full stock of the fact that the fortunes of the northern reclamation bodies were bound up with specific economic, social and environmental factors and vain attempts were made to export elsewhere a specific *modus operandi* which had developed over the long term.

It was only towards the end of the 19th century that a marked change of direction took place, a shift away from a model whose indiscriminate adoption

had blocked the implementation of policies attentive to diverse regional conditions and distribution of capital.

The need to follow up hydraulic drainage with work designed to make the reclaimed land cultivable in the most profitable way and for farms to be built was thus understood in this period. The principle of supplementary work was immediately implemented, however. In reclamation history, theory and practice took different trajectories because the implementation of the innovative ideas taken on board in legislative terms was affected by many factors, first and foremost of which was financial.

2. From Unity to the end of the 19th century

After Unification and until the end of the 19th century it was believed to be appropriate to apply standardised laws across the country. However, whilst in Northern Italy the reclamation issue related to extended areas whose improvement was in the interests of the people living in multiple towns, in the South and the two larger islands reclamation work was fractured and sometimes affected very small areas. This does not mean that draining marshlands in these areas was more straightforward: southern reclamation work did not require the building of a dense network of drainage canals and installing large water pumps but was subject to the functioning and reorganisation of a great many water catchment areas which none of the individual owners had a say over.

When his 1878 law was on the point of being presented to the Chamber, Alfredo Baccarini did not conceal the deleterious state of the country's economy nor the obstacles standing in the way of attempts to invest public financial resources in reclamation work.

In 1882, with the first thoroughgoing law on reclamation by Alfredo Baccarini, Minister for Public Works, the state began to take a direct interest in reclaiming uncultivated land. Baccarini understood that many marshy, malaria infested areas would remain so, especially in certain areas of the country, unless the state undertook to intervene directly and offer significant financial contributions to landowners. He had also realised that achieving certain economic objectives was dependent on policies designed to make significant progress in the public hygiene and sanitation field. 'First category' reclamation work - directly implemented by the state which shouldered 50% of the financial expense - encompassed work primarily motivated by health concerns and those in which significant health benefits combined with tangible farming improvements. It was an important step towards overcoming the idea that consortia were the only possible solution to the issue of reclaimed marshlands:

the state admitted the inevitability of its own action not only financially but also in organisational managerial and executive terms.

In the 1860s and 70s it was difficult for those tasked with reclamation to supply credit institutions with the guarantees required to gain loans, because the granting of loans was blocked by the fact that land estates were already in considerable debt (Serpieri 1957, 86). And the Baccarini law did not lead to the desired advancement of work. Implementation soon ground to a halt in the face of the significant cost involved in agricultural transformation and the reluctance of credit institutions as regarded work whose time frame could not be accurately forecast (Mozzi 1924, 11).

When the Genala law of 1886 obliged the consortia to demonstrate, at the project presentation phase, that they possessed the financial means required to complete the reclamation work, an extremely singular situation emerged. Capital could be collected solely via loans but the credit institutions authorised to grant these were unwilling to grant funding unless consortia had already obtained permission for work. In order to bring this impasse to an end, a new law introduced in 1893 saw Genala specifying that consortia had only to present a financial plan in order to obtain permits and simply state how they intended to procure the capital needed for the work.

As we will see, the thorny issue of funding protracted for the whole Giolitti period, without ever being satisfactorily resolved.

3. From the first Consolidated Act to ‘integral’ reclamation

Giuseppe Pavoncelli, Minister for Public Works in the new Di Rudiní government, presented a new law proposal to the Chamber on 2nd February 1898 (Disegno Pavoncelli 1898). Pavoncelli was aware of the constraints on permits and the need for a law which took greater account of the country’s varied hydrogeological situation. In the face of the difficulties encountered by consortia in the southern regions, implementation of ‘first category’ work as it had been established by Baccarini 20 years earlier was once again a state prerogative with provision for exceptions to this involving conceding it to communes, provinces and consortia. Furthermore, whilst Baccarini limited himself to requiring the building of roads between the reclaimed land and neighbouring towns to supplement 1st category work, the 1898 law proposal foresaw the inclusion in 1st category projects of *reforestation and land stabilisation work in mountain and dune areas*, co-ordinated with reclamation work, and *water channelling in the plains and stream regulation* in the event that fixed and long lasting reclamation work should be required in marsh lands. Such work was required above all in the central-southern regions.

It was a step forward in the evolution of the reclamation concept, but the time was not yet ripe to place hydraulic drainage in its narrowest sense in the dock on the basis of a belief in its inadequacy for the purposes of correcting the hydrogeological instability of many areas of the country.

It was now evident to legislators that the work required to restore the water balance in southern Italy and the islands differed notably from that required in the Po plains and was more complex and costly. This was taken into account in the new law proposal which recognised that in some marshy areas, above all in the south, it would be impossible to obtain reclamation without removing the causes of the damage deriving from the state of the mountain basins and the disordered state of many water courses. With the funds set aside by the law it should thus have been possible to do reforestation, consolidation and clearing work on mountain streams and plains rivers where these were directly connected to hydraulic draining work. For Pavoncelli, with sums easily affordable from state coffers it should have been possible to reclaim a third of Italian plains providing 1,270,000 hectares of new terrain for agriculture (*Disegno Pavoncelli, 1898, 7*).

Despite the many innovations ushered in, the Pavoncelli project was criticised by those who believed it necessary to embrace a wider concept of reclamation work at this point. The contribution in the Chamber by malaria expert Angelo Celli highlighted the law's fundamental defect in once again proposing a uniform legal framework for the whole country which made it impossible to solve the health issue (*Atti Parlamentari, Camera dei Deputati, leg. XX, first session, Debates, 6 July 1898, 6521.*).

In these years attention to the living standards of the peasantry was growing and studies into malaria aetiology were beginning to bear fruit. Celli noted that malaria was causing two million hectares of land to remain unfarmed. 63 of the kingdom's 69 provinces and 2823 town councils were registering cases of marsh malaria. 11 million people were being exposed to the disease and two million contracted it every year with 15,000 dying. Although it was not then known that the infection was transmitted by the anopheles mosquito, scientists had identified plasmodium in human blood, thus refuting the disease's miasma origin and downgrading theories by which clearing land was simply a matter of hydraulic drainage. Celli did not simply underline the need for more effective action but also asked that norms indispensable to safeguarding the health of workers on such projects from the risk of contracting the disease be integrated into the law (*Atti Parlamentari, Camera dei Deputati, leg. XX, first session, Debates, 6 July 1898, 6522.-6523*).

Whilst in the north of Italy, with its permanent rivers, the issue of health safeguards could be distinguished from hydraulic use, the same could not be

said of regions in which drought contributed to constraining the introduction of intensive farming (Omodeo 1922, 63-67). The problems of the south were thus not simply a matter of the presence of the large estates. Many small and medium sized landowners were not sufficiently encouraged to undertake land drainage work: there were no guarantees for them that the expense involved in reclaiming land which was, in any case, in summer, transformed into sufficiently profitable pasture land, would be offset by higher land value. However, if, together with land drainage, the law foresaw other work designed, for example, to ensure irrigation of the land or electricity production, the attitude of the small and medium landowners would have changed at least in part, and the establishment of consortia might have had been more successful (Barone 1986, 11).

The Pavoncelli proposal was approved by the Chamber in July 1898 but it was 18th November before the new minister, Pietro Lacava, presented it to the Senate. After a brief discussion the original project was made law (236) on 18th June 1899 with minor amendments. The law underlined the need to reorganise current provisions including those of past governments. To this end a commission was appointed whose work terminated with the promulgation of a Consolidated Law approved by royal decree on 22nd March 1900.

The Consolidated Law set out that the reclamation work to which the new provisions applied should be made up of drainage and filling in work, both natural and artificial, of lakes and ponds, marshes and swamp land, with the government entrusted with overall jurisdiction and work inspection. Work other than drainage could be included in projects solely to the extent that it was necessary for hydraulic reclamation. The new law set aside 250 million lire for 1st category work and promised to fund others in the near future.

Believing it had spent as much as it could, the government expected co-operation from the private sector. In particular, it hoped that the latter would show a willingness to implement farming reclamation in the shortest term possible, at its own expense.

In those years northern landowners were interested primarily in completing hydraulic drainage which, in some cases, was sufficient to ensure farming or at least to make investment in subsequent land improvement profitable. Moreover, a pressing need to restore social order in the countryside prompted a desire to start work awaiting implementation as soon as possible and drainage work implied lower technical implementation issues than more complex work. Farming reclamation, which was already the subject of legal provision although solely for a specific area of the country (Law no. 4642 of 11th December 1878 on the Roman countryside and subsequent Law no. 1489 of 8th July 1883 which provided for the expropriation of land held by owners who failed to carry out their reclamation obligations), was made obligatory everywhere with the

Bertolini law of 1911 following on from a diverse economic juncture and the development of a new power balance between the state and landowners.

The dynamics between the political forces and the economic interests, the need to respond to social tensions, and limited awareness of the malaria issue help us to understand why there was no significant shift away from traditional approaches despite all the theoretical pre-requisites existing for an innovative law.

The early 1900s were, in any case, especially important years in the evolution of the reclamation concept. At the outset of the new century, the attention of lawmakers to the country's southern areas and their hydrogeological state grew. Governments understood the importance of provisions designed to create favourable conditions in these regions for private investment both in agriculture and industry (Castronovo 1995, 166) and, from 1904 onwards, parliament enacted a series of 'special laws' for Campania, Calabria, Sardinia and Puglia to supplement that already approved for Sicily (Acquarone 1981, 368-377; Melis 1996, 241).

The limitations of the 1900 Consolidated Law began to show, however, and this was especially the case in the context of the serious floods of 1905 and 1907, which required the adoption of exceptional measures. Many highly important hydrogeological provisions – first of all that relating to mountain basins and the management of the great rivers which were key to the success of reclamation work – had effectively not been taken into account and owners' difficulties finding capital for this had led to stagnation.

4. Lending for reclamation

Giolitti's economic policy aimed at restoring the health of the banking system and state finances. Agricultural loans were primarily granted by the savings banks. In the south Banco di Napoli and Banco di Sicilia and in the centre Monte dei Paschi di Siena were active in this sector. There were also the agricultural Casse Rurali, first set up in 1883 in the Padua province by Leone Wollemborg, and the Casse Rurali Cattoliche proliferated around these (Marconato 1984). The development of the Banche Popolari, bound up with the name Luigi Luzzatti, were also notable. However, these banks focused primarily on business loans, neglecting land improvement loans (Bandini 1963, 84-85).

If on one hand greater public funds enabled the government to undertake a wide reaching programme of public works, the country was still lacking a lending system capable of and willing to undertake funding work involving the mobilisation of huge sums of capital for long periods of time. As they had to advance the sums payable by the state and local government, the consortia

found it impossible to start work even when permits had been granted or, even worse, to continue work which had already begun.

On the strength of their long traditions, the Padua consortia offered good guarantees to lending institutions. However, above all in the Veneto and Emilia regions, demands for capital were markedly higher than those in other parts of the country and went beyond the capacities of local funding institutions. It was thus precisely the northern owners who exerted powerful pressure on the state for greater contributions and concessions.

Ten years on from the Consolidated Law it was clear that the sums set aside by the law were not sufficient for all category 1 work. As, for the law, reclamation's purposes were lofty social ones, the consortia demanded that the state find the means to complete what it had begun. Law 702 of 20th June 1912 provided that the state was to contribute to paying off loans taken out for the implementation of work, thus diluting the financial commitment over time and enabling its contributions to be partially dependent on future checks. The consortia remained responsible for anticipating sums required for the implementation of the work, however.

In a conference held in Padua in May 1913 the statute of the new *Federazione dei Consorzi di Scolo e Bonifica delle Province venete e di Mantova* was approved and an item tasked the *Commissione esecutiva provvisoria della Federazione* to suggest ways to source the funds required for the work to be implemented.

During the *Convegno dei bonificatori*, held again in Padua in September 1913 with the participation of the government, senators, members of parliament, local and provincial government representatives and those interested in economic issues and reclamation (Leone Romanin-Jacur, Giulio Alessio and Luigi Fano), Luzzatti affirmed that it was time to stop supporting manufacturing industry and that national savings should focus on the land, on "creating and strengthening small land ownership" and the "draining of marsh and swamp land". He underlined that reclamation could not begin without guarantees around the availability of the funds required to complete it (Luzzatti 1933, 124-140).

In the face of the inability of *Cassa Depositi e Prestiti* to respond to reclamation demands, the *Consorzio di Credito per le Opere Pubbliche* was set up in 1919 and permitted to issue bonds. However, it soon became clear that this was not the right approach either and that what reclamation work primarily needed was capital at modest interest rates.

5. Public and private financial commitment on the eve of war

In the 1860 to 1900 period the sum spent by the state in reclamation work was around 169 million lire. For the period of time from 1900 and the eve of

World War One the state contributed to the tune of around 205 million lire to marshland reclamation work. From Unification to 1900 the state's average annual spending on reclamation was around 4,300,000 lire whilst 14,600,000 lire was spent in each of the 14 subsequent years. Thus three times as much was being spent in the 20th century than in the forty years leading up to the turn of the century.

Regions receiving the most state contributions were, in order, Campania (124 million), Tuscany (82 million) Emilia Romagna (51 million), followed by Puglia (29 million) and Veneto (20 million). The scale of the investment would thus appear to be modest in relation to the volume of marsh land. In some cases the state acted to reclaim extended areas in which work of considerable complexity was required. In Central Italy the most significant work related to the reclamation of the Roman countryside, the Tuscan Maremma, Lake Bientina in the provinces of Pisa, Lucca and Florence, Val di Chiana and certain huge scale work in the lower Volturno basin. In the south the main work took place in Campania in the provinces of Caserta and Naples, with the filling in of Lake Salpi in Puglia, and the Cervaro and Candelaro valleys in the Foggia province. On the islands the only region benefitting from state action between 1870 and 1900 was Sicily, with the first work taking place in Sardinia in 1901-18. In Northern Italy significant capital was employed in the Burana reclamation, in work on the lower Ravenna plains and the Mantua-Reggio countryside. Significant funding was also granted to the area between the Adige and Po Rivers in the Rovigo province where there was a serious water drainage problem. Work on the Padano-Polesano canal completed in 1900 had been shown to be insufficient and, from 1903 to 1912, this had to be supplemented with new water pumps and secondary work leading to excellent agricultural and health benefits (Rossini and Vanzetti 1987, 601-603).

The complex issue of the reclamation work continued to be approached without suitable funding, however. Work was diluted across too large a number of businesses, compromising the efficiency of the work done, nurturing disputes between those tasked with the work and landowners and leading to increased costs and protracted work time frames.

The state had available to it fairly reliable elements for financial assessments of reclamation work under way or planned, drawn from work already tendered or approved by recent regulatory plans. A comparison of the Italian state's spending from Unification to the issuing of the Consolidated Law with those from 1900 to the eve of World War One and those still to be invested makes clear that from the early 20th century onwards the state's commitment to reclaiming marsh lands and hydrogeologically unstable areas increased significantly. A great deal remained to be done, however, precisely on Italy joining the war.

6. From reconstruction to the advent of Fascism

Interruptions to work due to difficulties in accessing credit led to fears of serious economic losses even before the country joined the war. In the years prior to the war, reclamation costs had been kept to affordable levels and with it the interest required on capital. During the war the situation changed radically, however.

Minister of Public Works Ivanoe Bonomi expressed a belief that consortia co-operation with the state had to be guaranteed as the task of implementing work for a total of over 120 million lire was theirs, and that an active public work policy was the best response to likely postwar unemployment (Archivio Centrale dello Stato Presidenza del Consiglio dei Ministri, 1917, bundle 6/1, letter dated 22 May 1917).

The specific situation in the Italian territories which had suffered war damage prompted landowners to make insistent demands for a lending institution capable of fostering economic recovery in these areas. Thus, in the spring of 1919 (legislative decree No 497 of 24 March 1919) the Istituto Federale di Credito per il Risorgimento delle Venezie was set up and entrusted with the task of anticipating compensation for war damage payable by the state. The institute was granted funds of more than two and half billion lire (*L'Istituto Federale di credito per il Risorgimento delle Venezie* 1927, 5).

Right from its first year the new body took on the task of guaranteeing provisional funding for work which had already been approved by the authorities, in agreement with the Federazione dei Consorzi di bonifica. The institute then contributed to resolving the nagging problem of agricultural credit on which restarting productive work in the areas most damaged by the war depended.

In May 1921 the act founding the Sezione di Credito Agrario dell'Istituto Federale di Credito was signed. The task of the section was to supply farmers, bodies and agricultural associations with business loans in addition to those granted for land estate and improvement work. In 1921 the work of the Istituto Federale di Credito enabled new reclamation work to begin on over 160,000 hectares of land divided up between 20 consortia and employing a considerable workforce: a daily average of 5138 workers, 4700 labourers and 438 specialist technicians. The following year the average rose to 6500 workers per day, without counting the large number of specialised workers who built the water pump, heating and electrical machinery required by the work in other parts of Italy. By the end of April 1922 the institute had granted funding worth around 96 million lire for reclamation (Ermacora 1922, 14).

In addition to governmental support land reclamation in Northern Italy could count on the work of Federazione dei Consorzi Veneto-Mantovani, which sought out the capital required to implement new projects even before the plants damaged during wartime had been fully restored to working order.

After the armistice thought was given not only to the works destroyed during the war but also to setting in motion work which had been on hold for some time and to launching farming reclamation. Such an ambitious plan required huge capital as a result of a significant increase in workforce and building material costs (Ermacora and Rodinò 1924, 29). While prior to 1915 projects for work granted or in progress cost under 150 million. This sum tripled immediately after the war (Ravà 1922, 136).

After the Sacchi Law was passed in 1912 the state had sought to facilitate consortia access to credit. However, the availability of funds affected the development of local lending activities. Once again, therefore, an imbalance was created which favoured Northern Italy, where such institutions were relatively numerous, well-organised and willing to commit capital to work whose nature they had learnt to understand and whose success they could now foresee. But even in the north it was not always easy to source capital for long term work.

In March 1918 (legislative decree 361 of 21 March 1918) a parliamentary commission had been set up whose task it was to study provisions required to mitigate the consequences of the shift from a wartime to a peacetime economy and find a solution to the unemployment problem (Commissione per il Dopoguerra 1919). It had become indispensable to set up a body able to lend money for socially useful work done by semi-public and private bodies because the Cassa Depositi e Prestiti could, by law, only fund initiatives by public bodies and, in any case, had insufficient funds (De Rosa 1979, 14).

In May 1919 Ivanoe Bonomi underlined that he was unable to provide funding for reclamation work as a result of growing difficulties on the part of town councils and provinces in making a contribution in the light of marked increases in labour costs. The post-war economic crisis struck the industrial sector increasingly hard and for the lion's share of demobilised soldiers agricultural work seemed to be the only opportunity. Opera Nazionale Combattenti, set up in late 1917, also seemed to push in this direction. In this context reclamation work seemed to offer a significant contribution to solving the employment problem.

To facilitate sourcing cash by concession holders as far as possible, the state thus moved to make easier the creation of new lending institutions specialising in funding public work. Consorzio di Credito per le Opere Pubbliche was set up in September 1919 with headquarters in Rome (with royal decree 1627 of 2 September 1919, converted into law no. 488 on 14 April 1921). Cassa Depositi e

Prestiti was part of the Consorzio, of which it was one of the main components, as were Istituto Nazionale delle Assicurazioni and Cassa Nazionale delle Assicurazioni Sociali, and Casse di Risparmio had also applied for membership. The purpose of the new body was to give loans for public works (De Rosa 1979, 11; Mozzi 1925, 43-49).

But whilst the international economy was expanding powerfully, in Italy the situation was increasingly critical. In March 1920 growth in raw material prices caused by scarcity blocked all productive efforts: iron, concrete and bricks were prohibitively expensive to the extent that work to reduce the unemployment rate was limited to strengthening embankments, building roads and reclamation not involving massive use of these materials. In these conditions, bringing an adequate programme of public works to fruition was an uphill task. The reclamation sector, in any case, had the greatest development potential. Given the great difficulties encountered by attempts to divide up and transform the large land holdings, the state tried to make new farmable areas available to the peasantry. With royal decree law 1465 of 8th October 1920 the idea of “temporarily occupying” lands whose owners had been declared not to have fulfilled their reclamation duties was mooted. This decree prompted many owners to carry out improvement and reclamation work and many disease ridden areas were reclaimed. ONC was also conceded the opportunity to buy up marsh lands to transform and distribute to former servicemen.

The work to be done by the consortia belonging to the Federazione Nazionale delle Bonifiche required around 800 million in capital. The request which the President of the Federazione felt realistically able to put forward to the Consorzio di Credito per le Opere Pubbliche was 400 million, distributed over ten years (De Rosa 1979, 45-46). In the face of this demand and pressure from various sides to find a solution to the many hydrogeological instability problems, the Consorzio di Credito per le Opere Pubbliche granted loans worth more than 200 million for the funding of reclamation work and irrigation over the next two years. The Consorzio also made available a further 500 million for new loans, 200 of which funded hydroelectric plants in the south and 230 northern reclamation (*Atti del Congresso Regionale Veneto delle Bonifiche* 1922, 83).

In the years which followed (1923-1924) the Consorzio di Credito per le Opere Pubbliche granted significant further funds for reclamation. The regions receiving the most funding were the Veneto (70 million) and Emilia Romagna (50 million) regions. Though not to the same extent, large scale work was also funded in Lombardy and Lazio (De Rosa 1979, 124-135).

7. Funding on the basis of the New Consolidated Law

While the Northern Italian regions were concentrating mainly on funding agricultural transformation, in Central-Southern Italy the reclamation issue was more complex, and the need for capital seemed disproportionate to local savings resources.

The New Consolidated Act approved on 31st December 1923 recognised the differences between northern and southern reclamation work and thus the need to bring state contributions into line with specific local needs. In Southern Italy and Sicily 70% of expenses fell on the state, 10% on the province and 20% on owners. Funding for the clearing of water courses linked to reclamation work was shared out between the state (5/6ths) and the provinces (1/6th) while mountain basin reclamation work was entirely paid for by the state (Article 155). In Sardinia 75% of the cost of reclamation work was paid for by the state with 12.5% respectively payable by the provinces and the owners (Article 160). In the other regions 5/10ths of the expenses for 1st category work were paid for by the state with 1/10th respectively by the provinces and communes and 3/10ths from owners. These percentages relate to cases of direct work by the state who anticipated funds and then claimed back the sums due from other contributors later. When reclamation work was tendered out, the law provided for larger public contributions.

Much thoroughgoing drainage work was put on a par with hydraulic work and thus subject to the same legal regulatory framework as the latter, with the same contribution mechanism applying. This involved road building work required to link up the reclaimed area with neighbouring towns and the work needed to use reclamation canals for internal irrigation purposes where the economic benefits were clear. Reforestation work and the consolidation of mountain basins and dunes was also covered where it was co-ordinated with reclamation work, as was clearing and reinforcing river and stream beds and embankments in the plains to the extent that it was strictly necessary to health and hygiene in the lands reclaimed and work serving to guarantee irrigation.

The law also did not neglect a further prerequisite for all land transformation, the availability of drinkable water. The state obliged the councils to provide reclaimed land with drinking water and this enabled them to contract loans with the Cassa Depositi e Prestiti and institutions authorised to grant agricultural credit in general.

The very same day on which the 1923 Consolidated Law came into force, a new agricultural credit provision was issued, law 3139 of 30th December 1923 designed to assist those reclaiming land in agricultural land improvement work. This provision enabled the Department for the Economy to contribute

to the payment of interest on mortgages granted for 'improvements, namely plantations (olive groves, vineyards, orchards), crop transformations and limited reorganisation of lands and farm buildings. The contribution of the Department for the Economy also covered credit operations designed to build farm roads, lodgings for farm workers or animal sheds, wells and drinking troughs, mountain clearance and reforestation fence off land, extend the use of electrical energy, build irrigation structures (Ministero dei Lavori Pubblici 1926, 28-30).

The years which passed between the approval of the 1923 Consolidated Law and the Mussolini Law of 1928 were characterised by debate on reclamation work. In this phase a great deal of work was done and work continued in vast areas of Italy, in some regions more than others. Reclamation expenses grew as compared to the four year period from 1919 to 1922, moving from 78 million per year to 98 million (in 1938 currency values) (Stampacchia 2000, 68).

A favourable situation in the primary sector, in the presence of high prices and an inflationary context which facilitated the purchase of land by many peasants, ended in 1927 when a pronounced currency hike led to a fall in agricultural prices with consequences in the countryside (Staderini 1982, 17).

In this period there were a great many calls for public funds to be granted to reclamation work. The state was able to respond only intermittently to these. Whilst, towards the end of 1928, the agricultural crisis seemed to be over from a production level perspective, private investment continued to struggle. The state thus decided to launch a funding plan whose purpose was to reclaim large swathes of land and flood the domestic agricultural market prompting a rise in consumption. One of the main purposes of the 24th December 1928 Legge sulla bonifica integrale no. 3134, referred to as the Mussolini Law, was to incentivise investment. A policy focusing on the implementation of public works, and reclamation in particular, also seemed an effective way of reducing unemployment problems.

The law set aside sums worth 7 billion lire over a 14 year period for land transformations, thus boosting reclamation work significantly. Most of the law's provisions remained on paper, however. In fact, after 1928 a very large number of landowner consortia working on reclamation were created, but only very few of the projects begun had the potential to be completed.

With the Mussolini Law of 1928 Fascism made the wholesale reclamation concept its own. Once it had grasped the demagogic potential of this theme, the regime's main concern was to demonstrate that its own notion of reclamation "was entirely different from that which had thus far been attempted in Italy and that its programme would consequently reconsider the issue of the reclamation of Italian land afresh, moving entirely away from attempts made previously to

resolve the issue, attempts which for the simple fact that the issue had not ceased to be topical, were unfortunately to be considered failures” (Trentin 1938-9, 15).

The Mussolini Law did not achieve its aims for various reasons: the advent of the international economic crisis, which obliged the government to downscale its spending in this sector every year; resistance from certain landowners to wholesale reclamation work; an indiscriminate proliferation of funding applications, many of which related to work of secondary importance or limited scale which made it necessary to perform a selection process (Stampacchia 2000, 172-173).

Until 1934 consortia proliferated but these failed precisely where they were most crucial, namely in ensuring that private sector work followed on from public work. From 1935 to 1938 state investment in reclamation dropped from around 461 to 143 million lire. Subsequently, progressively growing military commitments in African and Spanish wars led to an almost complete paralysis in land reclamation work (Novello 2003).

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