

**INFORMATION REPORT**

CD NO. [REDACTED]

25X1X

COUNTRY Italy

DATE DISTR. 13 JUL 50

SUBJECT Italian Mercury Mines and Exports

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PLACE ACQUIRED 25X1A [REDACTED]

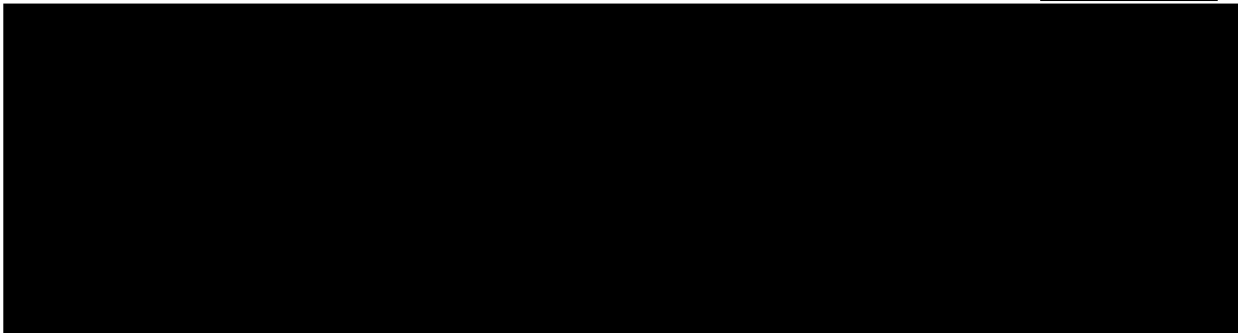
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DATE OF INFO. [REDACTED]

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SUPPLEMENT TO REPORT NO. 25X1A [REDACTED]

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1. The following Italian mining installations are engaged in the mining of mercury in the Florence-Siena area:

a. The SIELE Mining Establishment is the property of the Societa Anonima Stabilimento Minerario del Siele, of 32 Via Guido d'Arezzo, Rome. The installation is in full activity, with work being done also at night. Requests for purchases of mercury are made directly at the Commercial Office at the Central Directorate of the company in Rome, which upon completion of the negotiations passes the orders to the Directorate of the installation, which in turn provides for the shipments of mercury. This firm has reportedly sold no mercury to the USSR or its satellites during the present year, but has made the following shipments between 1 January and 16 May 1950:

- January-February: 4,306 flasks to the warehouse of the company in Rome;
- 14 April : 125 flasks to Belgium;
- 15 April : 500 flasks to Belgium;
- 15 April : 500 flasks to France;
- 15 April : 100 flasks to the Rinaldi Firm, 7 Via S. Martino, Milan;
- 25 April : 300 flasks to France;
- April : 100 flasks to Hong Kong, China;
- April : 255 flasks to Bombay, India;
- 23 April : 800 flasks to the deposits of the company in Rome;
- 3 May : 700 flasks to the United States;
- 9 May : 59 flasks to the Walter Schutz Firm, 44 Piazza De Marini, Genoa, for further shipment abroad by sea; and
- 15 May : 300 flasks to Leghorn for further shipment to New York by sea.

b. The Monte Amiata Mining Establishment, located at Abbadia San Salvatore (Sienna), is the property of the Societa Anonima Mineraria Monte Amiata, with headquarters at 47 Via Barberini, Rome. This installation, with annexed mines, employs 678 laborers and 48 employees, almost all from the commune of Abbadia San Salvatore. About 90 per cent of the workers

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25X1A

CENTRAL INTELLIGENCE AGENCY

-2-

are said to be members or sympathizers of the extreme leftist parties. The installation is in full activity, with work being done also at night. Monthly extraction of mercury is about 2,200 flasks, equivalent to about 76 tons. Requests for purchases of the product are made as indicated above. There are no indications that during the present year the directorate of the installation has shipped mercury to the USSR or its satellites. From 1 January to 16 May 1950 the directorate, on orders from the Central Directorate, shipped mercury only to Italian firms, chiefly to those engaged in the treatment of hair for the manufacture of hats. The following shipments have been made:

January : 34 flasks  
 February : 52 flasks  
 March : 67 flasks  
 April : 40 flasks  
 May : 5 flasks

The management has on hand in storage 29,000 flasks, available to anyone making requests.

- c. The ARGUS Mining Establishment is located in the Abetina locality of the commune of Piancastagnaio (Siena). At present it employs 164 laborers and six employees, all residents of the commune of Piancastagnaio except for five or six, who come from the commune of Santa Fiora (Grosseto). Fifty per cent of the workers are allegedly members or sympathizers of the extreme leftist parties. The installation is in full activity, with work being done also at night. Monthly extraction of mercury varies between 400 and 540 flasks, equivalent to about 15 tons. There are no indications that during the present year this installation has sold to either Italian or foreign firms, except for a limited quantity to a firm in Como which is engaged in the manufacture of thermometers.

Some time ago the firm received a bid from Pakistan for a certain quantity of mercury but was unable to conclude the negotiation, as Pakistan turned to Spain, which was willing to sell the mercury at a much lower cost. The directorate of the installation allegedly has deposited, or will deposit, at the Banca dell'Agricoltura in Rome the temporary right of possession on 15,000 (sic) flasks of mercury as collateral for a loan to liquidate the expenses of the installation.

- d. The SIAM Mining Establishment is located in the suburb of Cerreto Piano in Scansano (Grosseto) and is owned by the Societa Italiana Anonima Mercurio, with headquarters at 32 Via Guido d'Arezzo, Rome. It employs at present 120 laborers and clerks. A majority of the laborers are said to be members or sympathizers of the extreme leftist parties and reside in the commune of Scansano. The installation is in full activity and work is also carried on at night. Monthly extraction at present is about 220 flasks, equivalent to about seven tons. SIAM is associated with the Societa Anonima Stabilimento Minerario del Siele, which owns all the shares of the Societa Italiana Anonima Mercurio. Negotiations for the purchase of mercury are carried on at the directorate of the company in Rome.
2. The sale of mercury abroad was, until recently, effected through a "cartel" between Italy and Spain, but since Spain's denunciation of the "cartel" (about the end of 1949) the product has been freely sold abroad to anyone making a request. Behind Spain's abrogation of the "cartel" is the fact that in 1949 Spain appealed to the United States for a loan. When the United States did not comply with this request, Spain turned to the USSR. At the end of 1949 or early in 1950, the USSR reportedly obtained from Spain, in exchange for foodstuffs and other raw materials, a considerable quantity of mercury, said to be 40,000 flasks, at a price much lower than that charged by other countries.

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